

Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)
Annual report
for the period ended 30 September 2002

Registered Number 04217612



Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)

Annual report

for the period ended 30 September 2002

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Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)

Directors and Advisors for the period ended 30 September 2002

Directors

S Dickinson
A R Cunningham
G J Davis
R J Dickinson
S A Slade
J Fielder

Secretary and registered office

G J Davis
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

Independent auditors

PricewaterhouseCoopers LLP
89 Sandyford Road
Newcastle upon Tyne
NE99 1PL

Solicitors

Dickinson Dees
St Ann's Wharf
112 Quayside
Newcastle upon Tyne
NE99 1SB

Bankers

Barclays Bank Plc
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3PN

Grainger (Clapham) Limited **(formerly DWSCO 2175 Limited)**

Directors' report for the period ended 30 September 2002

The directors present their report and the audited financial statements for the period ended 30 September 2002.

Principal activity

The principal activity of the company is property development and trading.

Review of business developments and prospects

The company was incorporated on 16 May 2001 and commenced to trade on the same day. The company changed its name to Grainger (Clapham) Limited on 4 September 2001.

The directors consider the level of activity of the company to be satisfactory and no material changes are envisaged in the coming period.

Results

The results for the period are set out on page 5.

Dividends

The directors do not recommend the payment of a dividend. The loss for the period of £9,784 will be transferred to reserves.

Directors

The directors who served during the period and to the date of this report were:

DWS Directors Limited	(Appointed 16 May 2001, resigned 11 September 2001)
S Dickinson	(Appointed 11 September 2001)
A R Cunningham	(Appointed 11 September 2001)
G J Davis	(Appointed 11 September 2001)
R J Dickinson	(Appointed 11 September 2001)
S A Slade	(Appointed 1 October 2001)
J Fielder	(Appointed 1 October 2001)

The directors have no beneficial interest in the share capital of the company. The beneficial interests of Mr S Dickinson, Mr R J Dickinson, Mr S A Slade and Mr A R Cunningham in the shares of the ultimate holding company, Grainger Trust plc, are shown in the annual report of Grainger Trust plc.

The beneficial interests of the other director in the shares of Grainger Trust plc were as follows:

	30 September 2002 Number
G J Davis	40,553
J Fielder	-

Grainger (Clapham) Limited (formerly DWSCO 2175 Limited)

Directors' share options at 30 September 2002

Option price	Date exercisable	Ordinary shares of 25p each	
		Mr G J Davis	Mr J Fielder
		2002	2002
SAYE scheme			
690p	8 Aug 2006 to 8 Feb 2007	-	2445
818p	8 Aug 2005 to 8 Feb 2006	1,161	-
Total number of share options		1,161	2,445

During the period Mr G J Davis exercised options on 8,060 shares at an option price of 214p. At the date exercise the mid-market price per share was 992.5p.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 30 September 2002 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors

PricewaterhouseCoopers were appointed auditors to the company during the period. Following the conversion of our auditors, PricewaterhouseCoopers, into a limited liability partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 13 January 2003 and the Directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the Annual General Meeting.

By order of the Board



G J Davis

Secretary

14 March 2003

**Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)**

**Independent auditors' report to the members of Grainger (Clapham)
Limited (formerly DWSCO 2175 Limited)**

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 September 2002 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Newcastle upon Tyne

14 March 2003

Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)

Profit and loss account for the period ended 30 September 2002

	Note	Period ended 30 September 2002 £
Turnover		-
Gross rental income		-
Less:		
Property expenses		(13,977)
Loss on ordinary activities before taxation		(13,977)
Taxation	2	4,193
Loss for the period	7	(9,784)

All of the activities of the company relate to continuing operations.

The company has no gains and losses other than those included in the loss above and therefore no separate statement of total recognised gains and losses has been presented.

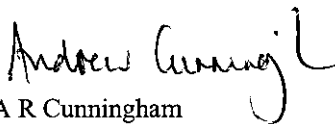
There is no difference between the profit on ordinary activities before taxation and the results for the period stated above, and their historical cost equivalents.

Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)

Balance sheet as at 30 September 2002

	Note	30 September 2002 £
Current assets		
Debtors		19,820
Stock	4	4,310,316
		4,330,136
Creditors: amounts falling due within one period	5	(4,339,919)
Net current liabilities		(9,783)
Net liabilities		(9,783)
Capital and reserves		
Called up share capital	6	1
Profit and loss account	7	(9,784)
Equity shareholders' deficit	8	(9,783)

The financial statements on pages 5 to 10 were approved by the board of directors on 14 March 2003 and were signed on its behalf by:


A R Cunningham
Director

Grainger (Clapham) Limited **(formerly DWSCO 2175 Limited)**

Statement of accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Accounting convention

The financial statements have been prepared under the historical cost basis of accounting. There are no comparatives as this is the company's first accounting period.

FRS 19 'Deferred tax' has been adopted during the period. There is no impact on the accounts.

Cash flow

The company is a wholly owned subsidiary of Grainger Trust plc and the cash flows of the company are included in the consolidated cash flow statement of Grainger Trust plc. Consequently, the company is exempt under the terms of Financial Reporting Standard No 1 from preparing a cash flow statement.

Stocks

Trading properties are stated at the lower of cost to the company and net realisable value. Cost to the company includes legal and surveying charges incurred during acquisition plus improvement costs. Net realisable value is the net sale proceeds which the company expect to receive on the sale of a property with vacant possession.

Repairs and improvements

Repairs are expensed to the profit and loss account as incurred. Improvement costs are capitalised.

Deferred taxation

Deferred taxation is recognised on all timing differences that have originated but not reversed by the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax is measured at the rate expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted, or substantially enacted by the balance sheet date. Deferred tax is measured on a non discounted basis.

Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)

Notes to the financial statements
for the period ended 30 September 2002

1 Directors and employees

There are no persons holding service contracts with the company.

None of the directors received any remuneration from the company during the period.

2 Taxation

	2002 £
Analysis of credit in year	
Current tax:	
UK corporation tax on losses for the period	4,193
Deferred tax:	
Origination and reversal of timing differences	-
Tax credit	4,193

The tax assessed for the period is at the standard rate of corporation tax in the UK (30%).

3 Debtors

	2002 £
Corporation tax	4,193
VAT	11,192
Sundry	4,435
	19,820

Grainger (Clapham) Limited
(formerly DWSCO 2175 Limited)

4 Stock

	2002
	£
Trading properties	4,310,316

5 Creditors: amounts falling due within one period

	2002
	£
Amounts due to group undertakings	4,338,207
Accruals and deferred income	1,712
	4,339,919

6 Called up share capital

	2002
	£
Authorised	
100 ordinary shares of £1 each	100
Allotted and fully paid	
1 ordinary shares of £1 each	1

During the period one £1 ordinary share was issued for cash. The nominal value of the share was £1 and the consideration received was £1.

7 Reserves

	Profit and loss account
	£
Loss for the period	(9,784)
At 30 September 2002	(9,784)

Grainger (Clapham) Limited **(formerly DWSCO 2175 Limited)**

8 Reconciliation of movement in equity shareholders' funds

	2002
	£
Loss for the period	(9,784)
Issue of share capital	1
Net addition to equity shareholders' funds	(9,783)
Opening equity shareholders' funds	-
Closing equity shareholders' deficit	(9,783)

9 Related party transactions

The company has taken advantage of the exemptions available under Financial Reporting Standard No 8 and has not disclosed transactions with companies that are part of the Grainger Trust plc group.

10 Controlling parties

The directors regard GIP Limited, a company registered in England and Wales, as the immediate controlling party and parent company by virtue of its 100% shareholding in the company.

The directors regard Grainger Trust plc, a company registered in England and Wales, as the ultimate controlling party and parent company by virtue of its majority shareholding. Copies of the parent's consolidated financial statements may be obtained from The Secretary, Grainger Trust plc, Citygate, St James' Boulevard, Newcastle upon Tyne, NE1 4JE.

11 Parent company support

Grainger Trust plc, the parent company has confirmed its intentions to support the operations of the company for the foreseeable future.