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# **MSC (CASH MANAGEMENT) LIMITED**

**Annual Report and Accounts**

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**Period from 24 August 2001 to 31 March 2002**

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**Company number: 4276631**

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## **MSC (CASH MANAGEMENT) LIMITED**

### **REPORT OF THE DIRECTORS for the period from 24 August 2001 to 31 March 2002**

The directors present their first Report and Accounts for the period from incorporation on 24 August 2001 to 31 March 2002.

#### **Principal activity**

The principal activity of the company, is cash management for the Meadowhall Shopping Centre, Sheffield.

#### **Review of business and prospects**

The company was incorporated on 24 August 2001.

The activities and prospects of this and other group companies are reviewed in the Chairman's Statement, Financial Review and Property Review of The British Land Company PLC, the ultimate holding company.

Details of significant events since the balance sheet date are contained in note 16 of the accounts.

#### **Results and dividends**

The results for the period are set out in the profit and loss account on page 4.

The directors do not recommend the payment of a dividend.

#### **Directors**

The directors who served throughout the period were:

J H Ritblat	(appointed 8 October 2001)
C Metliss	(appointed 31 August 2001)
J H Weston Smith	(appointed 31 August 2001)
N S J Ritblat	(appointed 31 August 2001)
R E Bowden	(appointed 31 August 2001)
G C Roberts	(appointed 26 February 2002)
L M Bell	(appointed 26 February 2002)
A Braine	(appointed 26 February 2002)
P C Clarke	(appointed 26 February 2002)

The directors' interests in the share and loan capital of the company are set out in note 11 to the accounts.

#### **Statement of directors' responsibilities**

Company law requires the directors to prepare accounts for each financial period which 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. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

**MSC (CASH MANAGEMENT) LIMITED**

**REPORT OF THE DIRECTORS**  
**for the period from 24 August 2001 to 31 March 2002**

**Auditors**

Arthur Andersen were appointed auditors during the year by the directors in accordance with section 385 of the Companies Act 1985. Arthur Andersen resigned as the Company's auditors following the agreement it reached with Deloitte & Touche under which partners and staff from Arthur Andersen joined Deloitte & Touche. The directors used their powers under the Companies Act 1985 to appoint Deloitte & Touche as the Company's auditors to fill the vacancy created by Arthur Andersen's resignation. A resolution to re-appoint Deloitte & Touche as auditors will be put to the Annual General Meeting.

This report was approved by the Board on 30/10/02.



**A Braine**  
Secretary

10 Cornwall Terrace  
Regent's Park  
London  
NW1 4QP

**MSC (CASH MANAGEMENT) LIMITED**

**INDEPENDENT AUDITORS REPORT  
for the period from 24 August 2001 to 31 March 2002**

**To the Shareholders of MSC (Cash Management) Limited**

We have audited the financial statements of MSC (Cash Management) Limited for the period ended 31 March 2002 which comprise the Profit and loss account, Balance sheet, Statement of total recognised gains and losses and the related notes numbered 1 to 17. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom 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.

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 with the company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

**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 affairs of the company at 31 March 2002 and of the company's profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche*

**Deloitte & Touche**

Chartered Accountants and Registered Auditors

London

*30 October 2002*

**MSC (CASH MANAGEMENT) LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**for the period from 24 August 2001 to 31 March 2002**

	<b>Note</b>	<b>2002 £</b>
<b>Turnover</b>		9,205
Operating expenses		(69)
Other interest receivable and similar charges	2	-
Interest payable and similar charges	3	-
<b>Profit on ordinary activities before taxation</b>	4	<u>9,136</u>
Taxation	5	(2,741)
<b>Profit on ordinary activities after taxation</b>		<u>6,395</u>
Dividends paid and proposed		-
<b>Retained profit for the period</b>	12	<u><u>6,395</u></u>

Turnover and results are derived from continuing operations in the United Kingdom.

All amounts are stated at historical costs.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the period from 24 August 2001 to 31 March 2002**

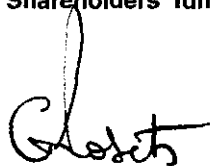
	<b>2002 £</b>
Retained profit / (loss) for the period	6,395
Revaluation of properties	-
<b>Total recognised gains and losses</b>	<u><u>6,395</u></u>

The accompanying notes form part of these accounts.

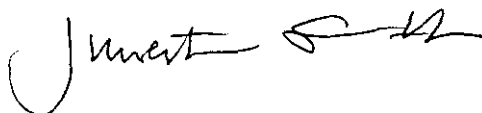
MSC (CASH MANAGEMENT) LIMITED

**BALANCE SHEET**  
**as at 31 March 2002**

	Note	£	2002	£
<b>Fixed assets</b>				
Investments	6			-
<b>Current assets</b>				
Debtors	7		9,205	
<b>Creditors due within one year</b>	8		<u>(2,809)</u>	
<b>Net current assets</b>				<u>6,396</u>
<b>Total assets less current liabilities</b>				6,396
<b>Provision for liabilities and charges</b>	9			-
<b>Net assets</b>				<u><u>6,396</u></u>
<b>Capital and reserves</b>				
Called up share capital	10			1
Capital reserves				
- Revaluation	12			-
Profit and loss account	12			<u>6,395</u>
<b>Shareholders' funds</b>	12			<u><u>6,396</u></u>



G C Roberts



J H Weston Smith  
Directors

Approved by the Board on 30/6/02.

The accompanying notes form part of this balance sheet.

# MSC (CASH MANAGEMENT) LIMITED

## NOTES TO THE ACCOUNTS for the period from 24 August 2001 to 31 March 2002

### 1. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current period.

These accounts are designed to cover a wide variety of companies and circumstances. As a result some notes may not be relevant for this company and so may be intentionally left blank.

#### Accounting basis

The accounts are prepared in accordance with applicable Accounting Standards and under the historical cost convention as modified by the revaluation of investment properties.

In accordance with FRS 1, the company is exempt from preparing a cash flow statement. The company's cash flow is included in the group cash flow statement prepared by The British Land Company PLC.

#### Turnover

Turnover represents management fees receivable in respect of cash management services, net of VAT.

#### Investments

Fixed asset investments are stated at market value when listed and at directors' valuation when unlisted. Any surplus or deficit arising on revaluation is taken to the revaluation reserve, unless a deficit is expected to be permanent, in which case it is charged to the profit and loss account.

Current asset investments are stated at the lower of cost and net realisable value.

Investments in subsidiaries are stated at cost or directors' valuation.

#### Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred tax assets and liabilities arise from timing differences between the recognition of gains and losses in the accounts and their recognition in a tax computation.

In accordance with FRS19, deferred tax is now provided in respect of all timing differences that have originated, but not reversed, at the balance sheet date that may give rise to an obligation to pay more or less tax in the future. Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Deferred tax is measured on a non-discounted basis.

2002  
£

### 2. Interest receivable

Interest receivable from other group companies

-

2002  
£

### 3. Interest payable

Interest payable to other group undertakings

-

**MSC (CASH MANAGEMENT) LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the period from 24 August 2001 to 31 March 2002**

**4. Profit (loss) on ordinary activities before taxation**

**2002**  
£

Profit (loss) on ordinary activities before taxation is stated after charging (crediting):

Amortisation and depreciation

-

Auditors' remuneration for audit services

-

Operating lease rentals

-

Amounts payable to Deloitte & Touche or Arthur Andersen and their associates in respect of audit and non-audit services are paid at a group level by The British Land Company PLC.

No director or employee received any remuneration for services to the company in the period.

Average number of employees, including directors, of the company during the period was 6.

**5. Taxation**

**2002**  
£

UK corporation tax

2,741

Foreign tax

-

2,741

Adjustments in respect of prior years

-

Total current tax

2,741

Deferred tax

-

**Total taxation (effective tax rate – 30.0%)**

2,741

**Tax reconciliation**

Profit on ordinary activities

9,136

Tax on profit on ordinary activities at UK corporation tax rate (30%)

2,741

Effects of:

Capital allowances

-

Tax losses

-

Other tax adjustments:

Profit on disposal of fixed assets

-

Other timing differences

-

Expenses not deductible

-

Adjustments in respect of prior years

-

**Current tax charge**

2,741



**MSC (CASH MANAGEMENT) LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the period from 24 August 2001 to 31 March 2002**

**6. Investments**

	<b>Shares in subsidiaries £</b>
At cost	-
At incorporation	-
Additions	-
At 31 March 2002	-

**7. Debtors**

	<b>2002 £</b>
<b>Amounts due within one year:</b>	
Amounts owed by other group companies	9,205

**8. Creditors due within one year**

	<b>2002 £</b>
Other creditors	-
Amounts owed to other group companies	68
Corporation tax	2,741
	2,809

**9. Provision for liabilities and charges**

	<b>£</b>
At incorporation	-
Charged to profit and loss account	-
31 March 2002	-
<b>Deferred tax is provided as follows</b>	<b>2002 £</b>
Capital allowances	-
Other timing differences	-

The deferred tax provision relates primarily to capital allowances claimed on plant and machinery within investment properties. When a property is sold and the agreed disposal value for this plant and machinery is less than original cost there is a release of the surplus part of the provision.

**10. Share capital**

	<b>2002 £</b>
<b>Authorised</b>	
100 ordinary shares of £1 each	100
<b>Allotted and fully paid</b>	
1 ordinary share of £1 each	1

**MSC (CASH MANAGEMENT) LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the period from 24 August 2001 to 31 March 2002**

**11. Directors' interests in share and loan capital**

No director held a beneficial interest in the share capital of the company. Messrs. J H Ritblat, C Metliss, J H Weston Smith, N S J Ritblat, R E Bowden and G C Roberts are also directors of The British Land Company PLC and, as such, their interests in the share and loan capital, including share options, of that company are shown in the accounts of the ultimate holding company. The beneficial interests of the other directors in the ultimate holding company are as follows:-

	<b>Fully paid Ordinary shares</b>		<b>6% Irredeemable Convertible Bonds (£ nominal)</b>		<b>Options over ordinary shares 1984 Option Scheme</b>		<b>Sharesave Scheme</b>	
	<u>Date appointed</u>	<u>31 March 2002</u>	<u>Date appointed</u>	<u>31 March 2002</u>	<u>Date appointed</u>	<u>31 March 2002</u>	<u>Date appointed</u>	<u>31 March 2002</u>
L M Bell	8,412	8,412	-	-	52,925	52,925	2,427	2,427
A Braine	11,436	11,436	-	-	42,382	42,382	2,728	2,519
P C Clarke	6,925	6,925	-	-	30,968	30,968	2,791	2,791

	<b>Rights under Restricted Share Plan</b>			
	<b>Ordinary shares</b>		<b>6% Irredeemable Convertible Bonds (£ nominal)</b>	
	<u>Date appointed</u>	<u>31 March 2002</u>	<u>Date appointed</u>	<u>31 March 2002</u>
L M Bell	46,770	46,770	-	-
A Braine	44,270	44,270	-	-
P C Clarke	57,171	57,171	-	-

L M Bell was granted options over 2,427 shares at an option price of 399p per share.

No share options lapsed during the period.

**12. Reconciliation of movements in shareholders' funds**

	<b>Share capital £</b>	<b>Capital reserve -revaluation £</b>	<b>Profit and loss account £</b>	<b>Total £</b>
Opening shareholders' funds at incorporation	-	-	-	-
Retained profit	-	-	6,395	6,395
Issue of ordinary share capital	1	-	-	1
Revaluation of properties	-	-	-	-
Closing shareholders' funds	<u>1</u>	<u>-</u>	<u>6,395</u>	<u>6,396</u>

**13. Capital commitments**

The company had capital commitments contracted at 31 March 2002 of £Nil.

**MSC (CASH MANAGEMENT) LIMITED**

**NOTES TO THE ACCOUNTS**  
**for the period from 24 August 2001 to 31 March 2002**

**14. Contingent liabilities**

In the event of the realisation of properties at book value the liability for tax, after available reliefs at 31 March 2002 is estimated at £Nil.

**15. Related parties**

The company has taken advantage of the exemption granted to 90% subsidiaries not to disclose transactions with group companies under the provisions of Financial Reporting Standard 8.

**16. Subsequent events**

There have been no significant events since the period end.

**17. Ultimate holding company**

The immediate parent company is Meadowhall Shopping Centre Property Holdings Limited.

The ultimate holding company is The British Land Company PLC, which is incorporated in Great Britain. Group accounts for this company are available on request from 10 Cornwall Terrace, Regent's Park, London NW1 4QP.