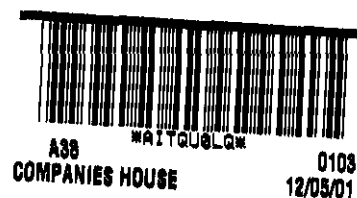


**Registration Number England 1245594**

**County Properties (Northern) Limited**  
**Directors' Report and Financial Statements**  
**for the year ended 30 September 2000**



## **County Properties (Northern) Limited**

### **Company Information**

Directors	J. Guthrie R. G. Urquhart
Secretary	J. M. Johnson
Company Number	England 1245594
Registered Office	Third Floor Pavilion House Scarborough North Yorkshire
Registered Auditors	Moore Stephens Chartered Accountants 12 Alma Square Scarborough North Yorkshire YO11 1JU
Business Address	Third Floor Pavilion House Scarborough North Yorkshire
Bankers	Bank of Scotland Head Office The Mound Edinburgh EH1 1YZ

## **County Properties (Northern) Limited**

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## **County Properties (Northern) Limited**

### **Directors' Report for the year ended 30 September 2000**

The directors have pleasure in presenting their annual report to shareholders together with the financial statements for the year ended 30 September 2000.

#### **Principal Activity**

The company is a property development and investment company. The directors are pleased to report a satisfactory period of trading. The profit and loss account reflects a profit for the year of £1,634,863 (1999 - £1,550,495). A recommended dividend of £1,500,000 (1999 - nil) has been paid during the year.

#### **Directors and their Interests**

The directors named served throughout the period. The interests of Mr. J. Guthrie in the capital of group companies are disclosed in the directors' report of Broadland Properties Limited. Mr. R. G. Urquhart held no interests in the capital of any group companies during the period under review.

#### **Elective resolutions**

The shareholders have passed elective resolutions dispensing with the requirement to hold an annual general meeting and to lay the accounts before an annual general meeting. Nevertheless the directors would like to remind the shareholders that any shareholder has the right to call for the accounts to be laid before a meeting of the shareholders and this right may be exercised by notice in writing to the company's registered office within 28 days of receipt of the accounts.

#### **Directors' Responsibilities**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and 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 financial statements;
- prepare the financial statements 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 to 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.

This report was approved by the Board on 8th May 2001 and signed on its behalf by



**J. M. Johnson**  
Secretary

## **County Properties (Northern) Limited**

### **Auditors' Report to the Shareholders of County Properties (Northern) Limited**

We have audited the financial statements on pages 3 to 10 which have been prepared under the historical cost convention as modified by the revaluation of investment properties and the accounting policies set out on page 5.

#### **Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **Basis of opinion**

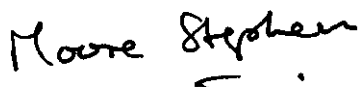
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 as at 30 September 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Moore Stephens**

**Chartered Accountants and  
Registered Auditors**

**12 Alma Square  
Scarborough  
North Yorkshire  
YO11 1JU**

**8th May 2001**

**County Properties (Northern) Limited**

**Profit and Loss Account  
for the year ended 30 September 2000**

		<b>Continuing operations</b>	
		<b>2000</b>	<b>1999</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	2,834,519	886,284
Cost of sales		(1,926,359)	(180,869)
<b>Gross profit</b>		908,160	705,415
Administrative expenses		(63,741)	(62,865)
<b>Operating profit</b>	<b>3</b>	844,419	642,550
Profit on sale of investments	<b>4</b>	787,494	904,392
<b>Profit on ordinary activities before interest</b>		1,631,913	1,546,942
Interest receivable and similar income	<b>5</b>	2,950	3,553
<b>Profit on ordinary activities</b>		1,634,863	1,550,495
Dividend paid	<b>9</b>	(1,500,000)	-
<b>Retained profit for the year</b>		134,863	1,550,495

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 5 to 10 form an integral part of these financial statements.

**County Properties (Northern) Limited**

**Balance Sheet  
as at 30 September 2000**

	Notes	2000		1999	
		£	£	£	£
<b>Fixed Assets</b>					
Investments - properties	10		6,254,947		6,317,830
<b>Current Assets</b>					
Debtors	11	683,597		198,473	
Cash at bank and in hand		17,625		18,801	
		<u>701,222</u>		<u>217,274</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(871,228)</u>		<u>(585,026)</u>	
<b>Net Current Liabilities</b>			<u>(170,006)</u>		<u>(367,752)</u>
<b>Total Assets Less Current Liabilities</b>			<u>6,084,941</u>		<u>5,950,078</u>
<b>Capital and Reserves</b>					
Called up share capital	13		12,000		12,000
Revaluation reserve	14		772,895		772,895
Profit and loss account	14		5,300,046		5,165,183
<b>Equity Shareholders' Funds</b>	15		<u>6,084,941</u>		<u>5,950,078</u>

The financial statements were approved by the Board on 8th May 2001 and signed on its behalf by

  
**J. Guthrie**  
**Director**

The notes on pages 5 to 10 form an integral part of these financial statements.

## County Properties (Northern) Limited

### Notes to the Financial Statements for the year ended 30 September 2000

#### 1. Accounting Policies

##### 1.1. Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of investment properties and in accordance with applicable accounting standards.

##### 1.2. Turnover

Turnover represents amounts receivable for rents, service charges and property development, net of value added tax where applicable.

##### 1.3. Investment Properties

In accordance with SSAP 19 the directors have included the company's investment properties in the balance sheet at the directors' estimate of their open market value. The corresponding unrealised surpluses and deficiencies are included in an undistributable revaluation reserve, unless the total of the revaluation reserve is insufficient to cover a deficit, in which case the amount by which the deficit exceeds the amount in the revaluation reserve is charged in the profit and loss account. In common with many other investment companies and in accordance with SSAP 19, no depreciation has been provided by the company on freehold, feuhold and long leasehold investment properties. This departure from statutory accounting principles is enabled under s226(5) of the Companies Act 1985 for the overriding purpose of presenting a true and fair view.

##### 1.4. Deferred taxation

It is the directors' policy to provide for deferred taxation only to the extent that a liability is anticipated to arise in the foreseeable future.

##### 1.5. Acquisition and disposal of properties

Acquisitions and disposals are considered to have taken place on the date of unconditional contract.

#### 2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

#### 3. Operating profit

	2000	1999
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	3,580	2,500



**County Properties (Northern) Limited**

**Notes to the Financial Statements  
for the year ended 30 September 2000**

<b>4. Profit on disposal of fixed asset investments</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Proceeds on sale of investment properties	1,200,000	3,988,525
Carrying value of assets sold	(412,506)	(3,084,133)
	<u>787,494</u>	<u>904,392</u>

<b>5. Interest receivable and similar income</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Other interest	<u>2,950</u>	<u>3,553</u>

**6. Directors' emoluments**

There were no employees during the year apart from the directors, who received no remuneration for their services.

**7. Taxation**

No taxation arises on the profits for the period due to anticipated availability of group relief for nil payment.

**8. Deferred taxation**

The full potential liability and amount provided in the accounts relating to deferred taxation, assuming a tax rate of 30% (1999 - 30%) arise from the following timing differences between the tax computations and accounts:

	<b>Full potential liability</b>		<b>Of which dealt with in accounts</b>	
	<b>2000</b>	<b>1999</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Capital allowances in excess of depreciation	91,083	-		
Maximum liability on disposal of revalued assets	113,552	131,278		
	<u>204,635</u>	<u>131,278</u>	<u>-</u>	<u>-</u>

**County Properties (Northern) Limited**

**Notes to the Financial Statements  
for the year ended 30 September 2000**

<b>9. Dividends</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
<b>Dividends on equity shares:</b>		
'A' Ordinary shares - Interim paid	<u>1,500,000</u>	<u>-</u>
<b>10. Investments - properties</b>	<b>Freehold property</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
<b>Valuation</b>		
At 1 October 1999	6,317,830	6,317,830
Additions	343,623	343,623
Disposals	(406,506)	(406,506)
At 30 September 2000	<u>6,254,947</u>	<u>6,254,947</u>
<b>Net book values</b>		
At 30 September 2000	<u>6,254,947</u>	<u>6,254,947</u>
At 30 September 1999	<u>6,317,830</u>	<u>6,317,830</u>
<b>Historical cost</b>		
At 30 September 2000	<u>5,482,051</u>	<u>5,482,051</u>
At 30 September 1999	<u>5,544,935</u>	<u>5,544,935</u>

Investment properties have been revalued at their open market value by Mr. J Guthrie FRICS (director).

<b>11. Debtors</b>	<b>2000</b>	<b>1999</b>
	<b>£</b>	<b>£</b>
Trade debtors	665,413	136,215
Other debtors	18,184	62,258
	<u>683,597</u>	<u>198,473</u>

**County Properties (Northern) Limited**

**Notes to the Financial Statements  
for the year ended 30 September 2000**

12. Creditors: amounts falling due within one year	2000 £	1999 £
Trade creditors	151,952	40,876
Amounts owed to group undertaking	456,125	328,974
Other taxes and social security costs	-	7,165
Other creditors	164,885	36,901
Accruals and deferred income	98,266	171,110
	<u>871,228</u>	<u>585,026</u>

Amounts owed to group companies are interest free and have no specific repayment terms and may therefore be due after more than one year.

13. Share capital	2000 £	1999 £
<b>Authorised equity</b>		
'A' Ordinary shares of £1 each	6,000	6,000
Ordinary shares of £1 each	44,000	44,000
	<u>50,000</u>	<u>50,000</u>
<b>Allotted, called up and fully paid equity</b>		
'A' Ordinary shares of £1 each	6,000	6,000
Ordinary shares of £1 each	6,000	6,000
	<u>12,000</u>	<u>12,000</u>

The 'A' Ordinary shares have no rights to dividends, no voting entitlement and no rights to any distribution on a winding up.

The Ordinary shares have no right to dividends other than those recommended by the directors. They also have an unlimited right to share in a surplus on winding up. Their voting entitlement is one vote for every £1 of paid up capital in Ordinary shares.

**County Properties (Northern) Limited**

**Notes to the Financial Statements  
for the year ended 30 September 2000**

**14. Equity Reserves**

	<b>Revaluation reserve</b>	<b>Profit and loss account</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 October 1999</b>	772,895	5,165,183	5,938,078
Retained profit for the year		134,863	134,863
<b>At 30 September 2000</b>	<u>772,895</u>	<u>5,300,046</u>	<u>6,072,941</u>

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

	<b>2000 £</b>	<b>1999 £</b>
Profit for the year	1,634,863	1,550,495
Dividends	(1,500,000)	-
	<u>134,863</u>	<u>1,550,495</u>
Opening shareholders' funds	5,950,078	4,399,583
Closing shareholders' funds	<u>6,084,941</u>	<u>5,950,078</u>

**16. Capital commitments**

	<b>2000 £</b>	<b>1999 £</b>
Details of capital commitments at the accounting date are as follows:		
Contracted for but not provided in the financial statements	<u>3,430,741</u>	<u>-</u>

**17. Contingent liabilities**

This company has given cross guarantees in respect of group borrowings from its bankers. Security given includes a debenture over the whole assets of this company, together with specific legal charges over certain investment properties. The company has also given a guarantee to the bankers of a fellow subsidiary in respect of that company's borrowings.

**County Properties (Northern) Limited**

**Notes to the Financial Statements  
for the year ended 30 September 2000**

**18. Related party transactions**

Advantage is taken of the exemption given in Financial Reporting Standard number 8 "Related Party Disclosures" from the requirement to separately disclose transactions with group companies.

**19. Ultimate parent undertaking**

The accounts of this company are included in the consolidated accounts of Broadland Properties Limited, which is regarded as the company's ultimate parent company.