Board of Directors

Chairman	Israel Arnold Ziff JP
Directors	Simon James Lewis Neville Ziff Peter Edward Warrington FCA Arnold Emery Willis David Cecil Whitehead

Directors of Principal Subsidiaries

Town Centre Enterprises Ltd	Peter Edward Warrington FCA David Cecil Whitehead Norman William Bell FCA *(Secretary)* Stuart Alexander Lewis ASVA
Rochdale Canal Company	Israel Arnold Ziff JP Edward Kilner Peter Edward Warrington FCA Denis E. M. Hawkins BSc ARICS *(Secretary)* Norman William Bell FCA
Trustees for the Debenture Stockholders	Pearl Assurance Company Limited High Holborn London WC1 Guardian Assurance Company Limited Royex House Aldermanbury Square London EC2
Bankers	Lloyds Bank Limited The Merrion Centre Leeds Midland Bank Limited The Merrion Centre Leeds
Solicitors	Wurzal & Co Town Centre House The Merrion Centre Leeds LS2 8NA Simpson, Curtis & Co 41 Park Square Leeds LS1 2NS
Auditors	Price Waterhouse & Co 29 East Parade Leeds LS1 5PX
Registrars and Transfer Office	Farrow, Middleton & Co 34 Beckenham Road Beckenham Kent BR3 4TU
Secretary and Registered Office	Norman William Bell FCA Town Centre House The Merrion Centre Leeds LS2 8LY

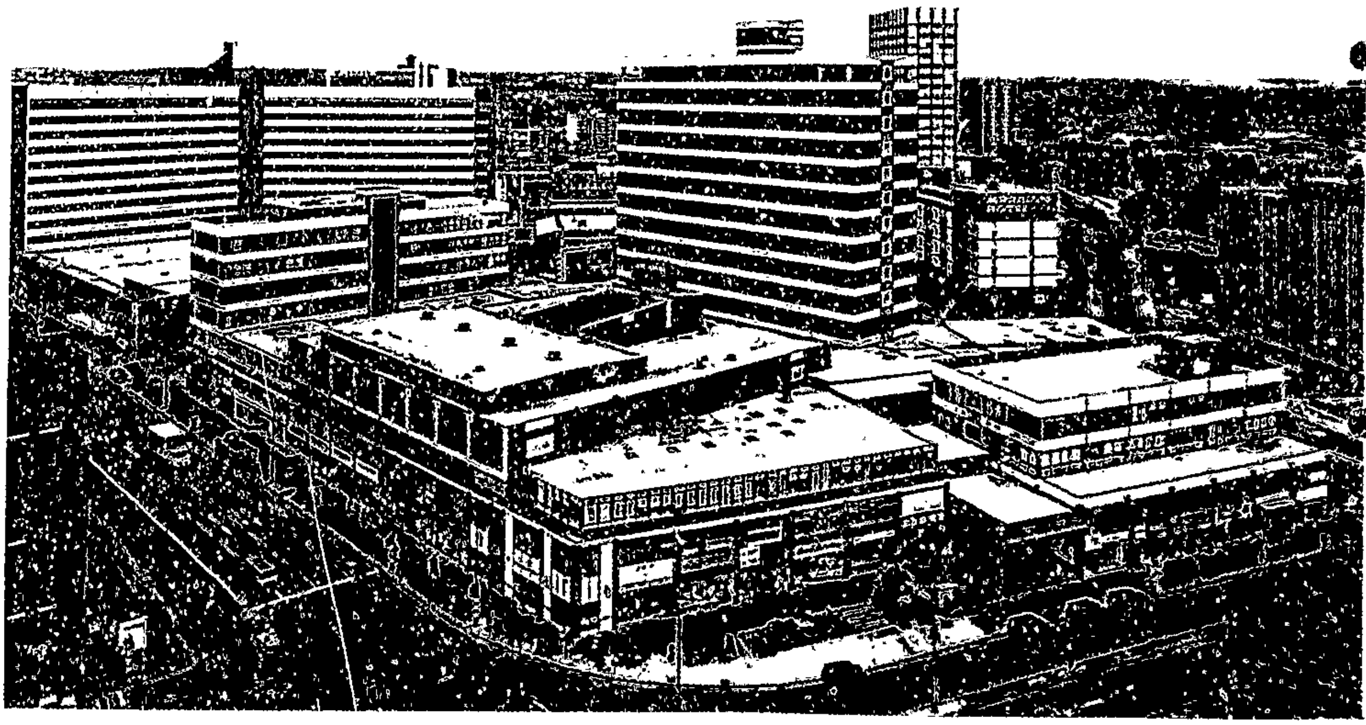
Branch Offices

London	New Bond Street House 1/5 New Bond Street London W1Y 9PE
Manchester	75 Dale Street Manchester M1 2HG

TOWN
CENTRE
SECURITIES
LIMITED

THE MERRION CENTRE, LEEDS

A multi-million pounds comprehensive shopping, office and leisure complex.
The first pedestrianised shopping scheme in Leeds with complete vehicular segregation.



CHAIRMAN'S STATEMENT

TOWN CENTRE SECURITIES LIMITED

Once again I am pleased to be able to report another record year for the group with profits before tax of £379,924 compared with £290.178 for the year ended 30 June, 1972. The directors are recommending a dividend of 4.96% which compares with the 9% last year. This is equivalent to a 5% increase over last year's dividend, bearing in mind the scrip issue last March of one for three, and the change in taxation.

It has been a most active year for the company. We have virtually completed the whole of the Merrion Centre development and apart from a few small shops in the new precinct the whole of the development has now been completed and let. We can now claim that all three sections of the Merrion Centre, the shopping, leisure and office buildings are now a thriving success.

During the year we have also completed phase 1 of our development at Barnsley and have now commenced phase 2 which will provide a further seven shops and a public house. The company during the past year has also purchased a number of freehold properties in various towns from London to Aberdeen including Banbury, Blackpool, Harrogate, Leeds, Oldham and Sheffield, most of which have been bought with a view to redevelopment in the next two to five years. It is our policy to assemble sites with a view to future expansion and future growth of the company, however, it must be borne in mind with the present high interest rates that it is becoming increasingly difficult to view long term developments in the same light that we have previously and that we must carry out development with a view to using the investment as a hedge against the continual inflation to which we are subject.

In Manchester our subsidiary company, Rochdale Canal Company, has continued to function as before and plans have been going ahead and negotiations have been continuing with the local authority for the development of the canal basin. We have met with a number of problems which we are of course endeavouring to solve as they come up and it is hoped, although I would not like to promise at this stage, that development could start within the next year. It is a long term programme and will probably take some five or six years to complete.

During the year your directors felt that as a considerable time had elapsed since many of the properties had been revalued we should ask the advice of Messrs. Jones, Lang, Wootton, who together with other professional firms have carried out a revaluation of the company's completed properties. The new values have been adopted and show in the balance sheet that the fixed assets of the group now stand at £26,637,283. This has produced a large surplus of some £12,382,324 which has been taken to Capital Reserve. As a consequence it is your directors' intention, therefore, to give a further bonus issue of one for one. At 30 June 1973 the net asset value per share subsequent to this revaluation was £1.57 compared with 43p last year, after adjusting for the 1 for 3 bonus issue during the year.

It is interesting to note that anybody who purchased 100 shares at the time of our flotation in 1960 at the equivalent of 28½p will now have, after the further bonus issue, 1,600 shares.

We have, during the year, continued to call off the monies that we had agreed to take from the Sun Life Assurance Company of Canada in 1971. We are very pleased to have established a link with the Royal Insurance Company with whom we have arranged a £1m mortgage, the first call on which has now been received.

TOWN
CENTRE
SECURITIES
LIMITED

In view of the very large capital expenditure programme which will amount to some twenty million pounds during the next five to six years, it is the directors' intention at an Extraordinary General Meeting to follow the Annual General Meeting to seek to increase the borrowing powers to ten times the Issued Share Capital and Reserves of the company.

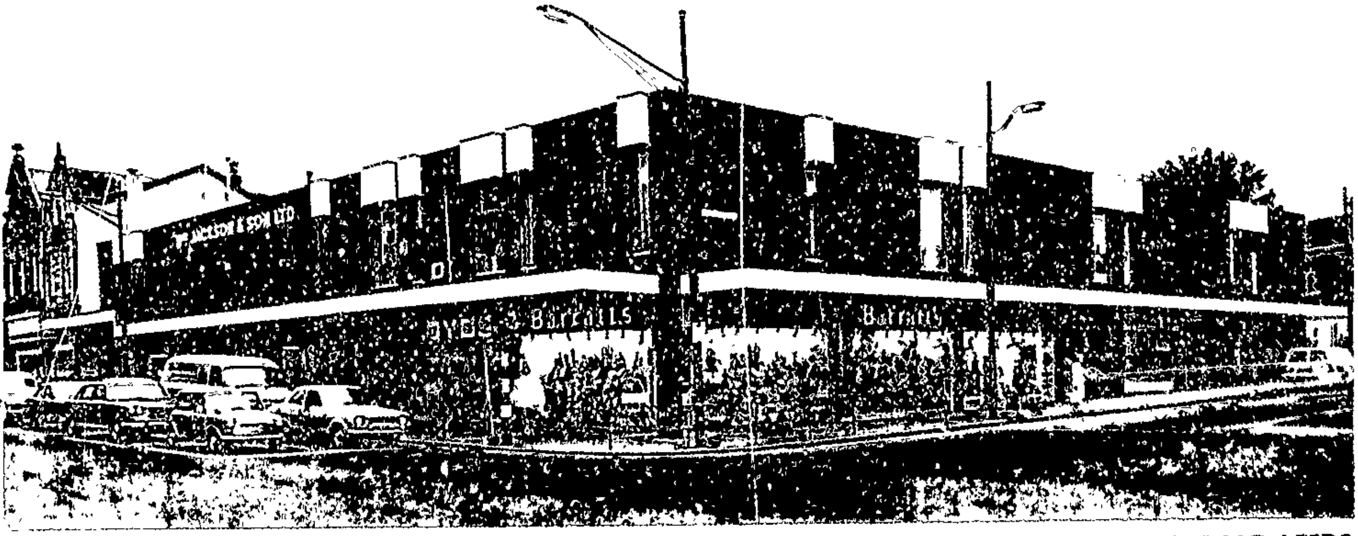
We have, during the past year, expanded the scope of the company by adding to our branch office in London a branch office in Manchester and it is our intention to open a further office in Birmingham very shortly and also one in Scotland. We feel that by having our own executives on the spot we can give quick decisions in a very highly competitive business.

As we go to press, shareholders will have received copies of our offer document for the Clifton Arms and Pier Hotel Company of Blackpool and as I stated in that document, we believe that the purchase of the Clifton Hotel, which is situated on a prime site of approximately half an acre on the Promenade, will provide an excellent site for redevelopment. This will of necessity take some two to three years of planning and in the meantime it is our intention to run both hotels in the traditional manner in which they have always been run.

We will continue to search for suitable development propositions and with the establishment of our branch offices we hope this rate of expansion will increase its pace.

Our small staff is increasing and I would like to pay tribute to the loyalty of our staff in all spheres of the business for their hard and successful work during the past year and also to my own co-directors who are a constant tower of strength to me.

Arnold Ziff

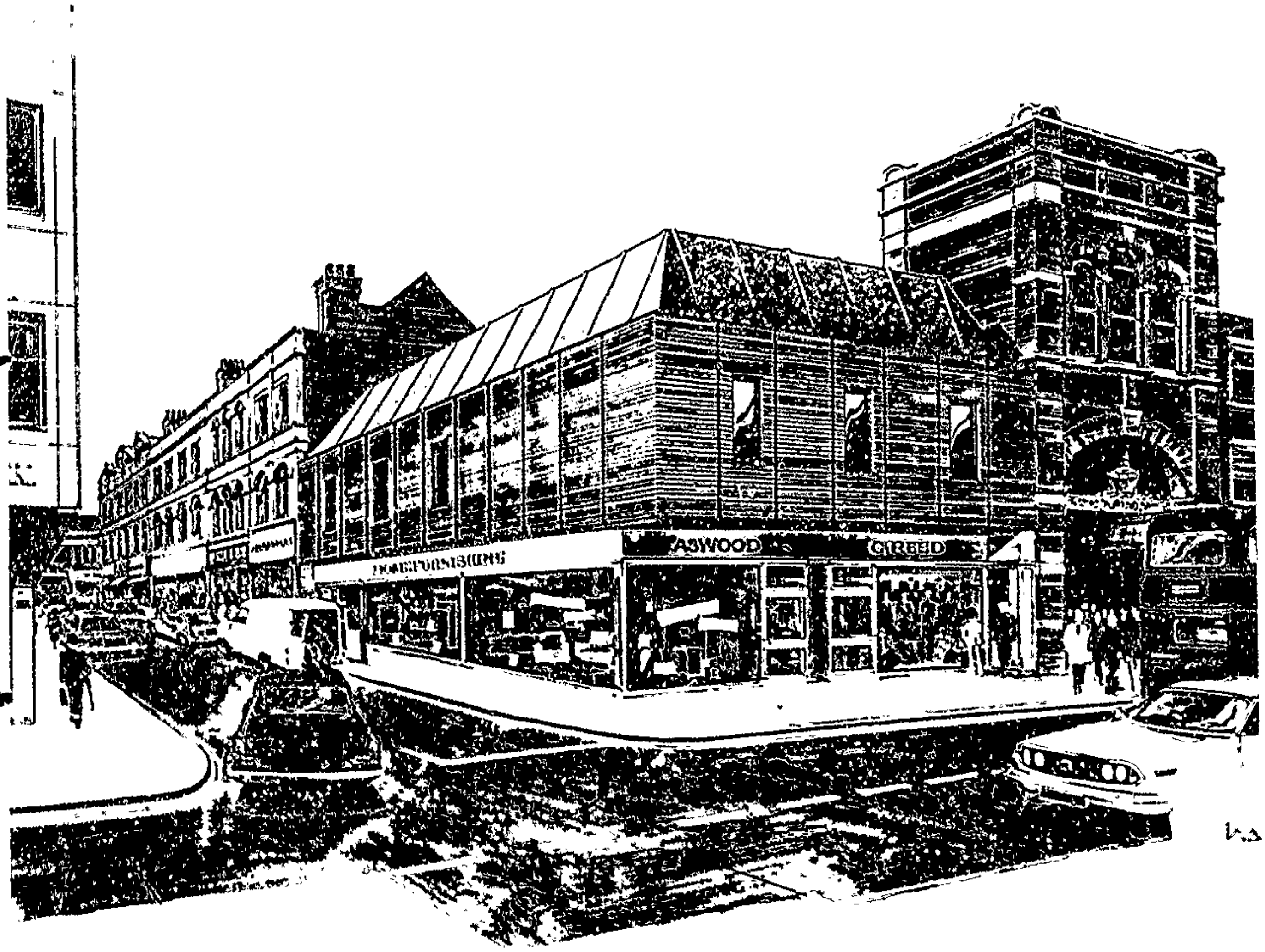


OTLEY ROAD, LEEDS

A small shopping development scheme situated in one of the finest suburban district shopping centres of Leeds

HIGH STREET, OLDHAM

Artist's impression of the proposed redevelopment of the Albion Hotel site – completion in September 1974



14.

NOTICE

OF

MEETING

TOWN
CENTRE
SECURITIES
LIMITED

Notice is hereby given that the

Fourteenth Annual General Meeting

of the Members of

Town Centre Securities Limited

will be held at the Registered Office

of the Company,

Town Centre House, The Merrion Centre,

Leeds 2

at 2.30 pm on Wednesday 19 December 1973

for the following purposes

1. To receive, consider and adopt the directors' report and accounts for the year ended 30 June 1973
Resolution 1

2. To declare the dividend recommended by the directors
Resolution 2

3. To elect the following director:—
Mr. P. E. Warrington
Resolution 3

4. To fix the remuneration of the auditors
Resolution 4

5. To transact any other ordinary business of the company
Resolution 5

23 November 1973

by Order of the Board
N W BELL
Secretary

NOTES

1 A member of the company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy need not also be a member. The instrument appointing a proxy must be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting.

2 The directors do not have service contracts with either the company or any of its subsidiaries.

The directors have pleasure in submitting their fourteenth annual report to the members of the company for the year ended 30 June, 1973.

DIRECTORS' REPORT

TOWN CENTRE SECURITIES LIMITED

Principal Activities

The holding company and two of its subsidiaries, Town Centre Securities (Scotland) Limited and Blackpool Markets Limited, have continued to carry on business as property investment and development companies. During the year the assets and undertakings of two property investment subsidiaries, Vassalli & Co Limited and The Merrion Centre Limited, were transferred to the holding company.

Town Centre Enterprises Limited continued to trade as a property dealing company.

Rochdale Canal Company continued with its activities of carrying out its statutory obligation to maintain the Rochdale Canal and of the investment of surplus funds.

Profit and Appropriations

The group profit for the year before taxation from completed properties and investments is £379,924 as compared with £290,178 for the previous year. Interest and other outgoings attributable to development properties amount to £132,583 and taxation absorbs £90,500. After deducting minority interests of £26,201 and taking into account a transfer from capital reserve of £74,112, being an amount equal to the interest and other outgoings for the year attributable to properties in course of development, less estimated taxation relief, an amount of £204,752 representing the profit from completed properties and investments is available for dividend. The proposed dividend of 4.96% on the issued ordinary capital of £1,453,708 (see Note 8 to the accounts) absorbs £72,104 leaving £132,648 to be added to retained profits.

Under the new system of taxation which commenced on 6 April 1973, income tax will not be deducted from dividends paid. Shareholders will receive dividends in full which will carry a tax credit of three-sevenths. The above dividend of £72,104 together with its associated tax credit is equivalent to a gross dividend of 7.09%, which is arrived at after taking into account the one-for-three bonus issue during the year and includes an effective 5% increase over the 1972 gross dividend, the maximum increase permitted under the Government's present dividend control policy.

Capital shareholders have been entitled previously to a scrip issue in lieu of gross dividend. Because of the changes in the taxation system the dividend on which the scrip issue is based will be effectively reduced by 30%.

As you will see from the letter accompanying the enclosed notice of extraordinary general meeting, it had been hoped to amend the company's articles to allow the tax credit on the ordinary dividend also to be taken into account for the calculation of the scrip issue to capital shareholders. However the Investment Protection Committees of the British Insurance Association and the National Association of Pension Funds advised their members to oppose such proposals, and such opposition would defeat any such resolution. They have agreed however to an immediate compensatory scrip issue of capital shares at the rate of 1 capital share for each 100 capital shares held, and this is to be dealt with at the extraordinary general meeting after the annual general meeting. The nominal value of the scrip issues will be charged to capital reserve on the date of issue.

Properties

Jones, Lang, Wootton have prepared a valuation of a greater part of the group's properties as at 30 June 1973 with the exception of ten properties which had been valued by Lewis & Tucker and St Quintin, Son & Stanley. Jones, Lang, Wootton have reported that the total fair market value as between a willing vendor and a willing purchaser of those properties valued by them was £22,792,000. This valuation together with those valuations made by the two other firms totalling £3,183,000 has been incorporated in the accounts so that the total value of properties owned by the group at 30 June 1973 after including at cost £621,187 in respect of properties not valued was £26,596,187.

TOWN
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LIMITED

Directors

The directors of the company are as shown at the front of this report and accounts.

Mr D C Whitehead was appointed a director on 13 December 1972.

In accordance with the provisions of the articles of association Mr P E Warrington retires and, being eligible, will offer himself for re-election at the annual general meeting.

The interests of the directors in the shares of the company, in accordance with the provisions of the Companies Act 1967, are as follows:

		30 June 1973		30 June 1972 (*or date of appointment*)	
		Ordinary	Capital	Ordinary	Capital
I A Ziff	Beneficial	254,117	584,918	191,264	426,136
	Non-beneficial	436,443	1,674,802	328,332	1,215,584
	As trustee	261,332	275,174	195,000	187,760
N. Ziff	Beneficial	29,900	120,660	22,425	90,656
	Non-beneficial	—	258,690	—	187,760
S J Lewis	Beneficial	64,000	53,602	64,000	52,462
P E Warrington	Beneficial	400	1,937	—	440
A E Willis	Beneficial	—	81,364	—	59,055
D C Whitehead	Beneficial	586	—	—	—

Between 30 June 1973 and 26 October 1973 Mr. P. E. Warrington purchased a further 1,000 capital shares. There were no changes in that period in the other directors' shareholdings.

At no time during the year has any director had any interest in any significant contract with the company.

Interests in the Company's Share Capital

At 26 October 1973 the company had not received notice of the interest of any person, other than a director, in any substantial part of its share capital.

Taxation Status

The company is not a close company.

Auditors

The auditors, Price Waterhouse & Co, are willing to continue in office and a resolution will be proposed in regard to their remuneration.

30 October, 1973

by Order of the Board
N W BELL
Secretary

CONSOLIDATED PROFIT & LOSS ACCOUNT

TOWN CENTRE SECURITIES LIMITED

YEAR ENDED 30 June, 1973

	Notes	1973 £	1972 £
Gross Rents and Sales of Dealing Property		£1,327,916	£971,706
Balance of Group Revenue from Completed Properties	2	835,247	635,627
Deduct *Interest payable*	4	467,412	360,980
		367,835	274,647
Add *Income from quoted investments*		12,089	15,531
Profit before Taxation from Completed Properties and Investments		379,924	290,178
Deduct *Interest and other outgoings attributable to Development Properties*		132,583	57,384
		247,341	232,794
Deduct *Taxation*	5	90,500	91,000
Profit after Taxation		156,841	141,794
Deduct *Minority interest*		26,201	17,627
	6	130,640	124,167
Transfer from Capital Reserve relating to Development Properties		74,112	42,530
Profit for the year from Completed Properties and Investments		£204,752	£166,697
Profit retained at beginning of year		316,776	244,006
Profit for year (*above*)		204,752	166,697
		521,528	410,703
Proposed Dividend	8	72,104	93,927
Profit retained at end of year		£449,424	£316,776
Earnings per Share of 25p each	7		
Earnings per ordinary share		3.52p	2.99p
Earnings per share including Capital Shares (equivalent to fully diluted earnings)		1.90p	1.66p

CONSOLIDATED BALANCE SHEET

TOWN CENTRE SECURITIES LIMITED

30 June, 1973

	Notes	1973 £	1973 £	1972 £	1972 £
Issued Share Capital	8		2,697,681		1,995,414
Capital Reserves	9		13,832,970		2,309,610
Profit Retained			449,424		316,776
			16,980,075		4,621,800
Interest of Minority Shareholders in Subsidiaries			463,226		420,153
Taxation Deferred by Capital Allowances	1 b		28,500		14,600
Loan Capital (Secured)	10		6,085,393		3,814,969
Provision for Building Completion Costs			370,244		24,432
Current Liabilities					
Creditors, accrued charges and rents received in advance		730,067		319,388	
Accrued interest on mortgages (secured)		203,539		97,187	
Taxation	11	427,964		309,283	
Bank loans and overdrafts (secured)		1,901,508		2,288,023	
Proposed dividend		72,104	3,335,182	93 927	3,107,808
			£27,262,620		£12,003,762

TOWN CENTRE SECURITIES LIMITED

	Notes	1973 £	1973 £	1972 £	1972 £
Fixed Assets	12				
Freehold and long leasehold investment properties			25,680,448		9,809,947
Properties in course of development			915,739		1,432,377
Motor vehicles, office and other equipment			41,096		27,453
			26,637,283		11,269,777
Investments	13				
Quoted		223,789		287,342	
Unquoted		500		500	
Loans		12,500		12,500	
			236,789		300,342
			26,874,072		11,570,119
Taxation Recoverable in Future Periods	11		129,352		36,300
Current Assets					
Dealing properties at cost		53,543		221,562	
Debtors and prepayments		201,277		165,395	
Bank and cash balances		4,376		9,886	
			259,196		397,343
			£27,262,620		£12,003,762

BALANCE SHEET

TOWN CENTRE SECURITIES LIMITED

30 June, 1973

	Notes	1973 £	1973 £	1972 £	1972 £
Issued Share Capital	8		2,697,681		1,995,414
Capital Reserves	9		13,825,773		2,233,016
Profit Retained			400,715		311,199
			16,924,169		4,539,629
Taxation deferred by Capital Allowances	1 b		28,500		14,600
Loan Capital (Secured)	10		5,602,530		3,324,112
Provision for Building Completion Costs			370,244		24,432
Current Liabilities					
Creditors, accrued charges and rents received in advance		698,562		236,308	
Accrued interest on mortgages (secured)		176,859		70,379	
Taxation	11	171,998		145,798	
Bank loans and overdraft (secured)		1,915,471		2,214,014	
Proposed dividend		72,104	3,034,994	93,927	2,760,426
			£25,960,437		£10,663,199

I A Ziff
S J Lewis
Directors

	Notes	1973 £	1973 £	1972 £	1972 £
Fixed Assets	12				
Freehold and long leasehold investment properties			23,602,543		7,948,963
Properties in course of development			915,739		1,432,377
Motor vehicles, office and other equipment			31,857		17,145
			24,550,139		9,398,485
Investments	13				
Unquoted		500		500	
Loan		9,500		9,500	
			10,000		10,000
Interest in Subsidiaries	14		1,105,366		1,104,721
Taxation Recoverable in Future Periods	11		120,652		32,900
Current Assets					
Debtors and prepayments			174,280		117,093
			£25,960,437		£10,663,199

TOWN CENTRE SECURITIES LIMITED

NOTES TO ACCOUNTS

TOWN CENTRE SECURITIES ~~LIMITED~~

ACCOUNTING POLICIES

1 a. Income available for dividends

Surpluses arising on revaluations and sales of properties (apart from sales by the dealing subsidiary) and investments are transferred to capital reserve and are not regarded as being available for dividend except for such amounts as the directors resolve are required for making good loss of revenue which, in their opinion, is attributable to properties which, for the time being, are in the course of development. A transfer is made from capital reserve to profit and loss account of an amount equal to the directors' estimate of the net outgoings after taxation attributable to development properties. After taking account of this transfer, the amount available for distribution as dividend represents the net income from completed properties and investments.

b. Taxation

Where material items of income and expenditure included in the accounts are recognised for taxation purposes in other periods, the difference, at the current rate of corporation tax, is provided either as tax deferred by capital allowances or as taxation recoverable in future period. It is not the group's policy to make provision in respect of the surpluses on revaluations of properties which have been included in the balance sheet since 1965, since there is no present intention to dispose of the group's properties.

Taxation on surpluses realised on sales of investment properties and quoted investments is charged to capital reserves.

c. Properties

A greater part of the group's properties is included in the balance sheet at professional valuations based on fair market values as between a willing purchaser and a willing vendor carried out as at 30 June 1973. Properties held by the dealing subsidiary are included at cost.

d. Depreciation and amortisation

No depreciation or amortisation is provided in respect of freehold or leasehold properties. In the opinion of the directors the aggregate value of the group's properties is at least equal to the amount at which they are included in the accounts. Motor vehicles, office and other equipment are depreciated over their anticipated useful lives.

e. Capital Shareholders' Entitlement

In accordance with the provisions of the company's Articles capital shareholders are entitled to receive scrip issues of further capital shares in lieu of dividend. Such issues are made from capital reserves.

PROFIT AND LOSS ACCOUNT

	1973	1972
2. Balance of group revenue	£	£
£82,191 (1972 £22,711) of this balance is derived from sales of dealing property and the remainder from rents. It is arrived at after charging directors' emoluments (Note 3) and charging (or crediting) the following:		
Depreciation	12,673	7,175
Auditors' remuneration	2,012	1,312
Profit on sale of motor vehicles, office and other equipment	*(1,566)*	*(2,786)*
3. Directors' emoluments		
Emoluments were paid to directors as follows:		
Fees	1,375	1,375
Other emoluments	14,217	7,794
Emoluments, exclusive of pension contributions:		
Chairman	1,093	900
Highest paid director	8,221	6,316
Other directors [illegible] ranges:	Number	Number
Less than £2,501	3	3
£2,501–£5,000	1	—

4. Interest payable

	1973 £	1972 £
Debentures	27,464	28,194
Mortgages	373,125	267,124
Bank and other	203,385	100,876
	£603,974	£396,194
Attributable to completed properties	£467,412	£360,980

5. Taxation

	1973	1972
Corporation tax at 42½% (1972 40%) based on group profit	100,300	97,000
Adjustments in respect of:		
Change in rate of corporation tax	*(11,300)*	—
Previous years	1,500	*(6,000)*
	£90,500	£91,000

TOWN CENTRE SECURITIES LIMITED

6. Profit for the year

The profit for the year ended 30 June 1973 arrived at after charging interest and other outgoings attributable to development properties amounted to £130,640 (1972 £124,167). Of the profit for the year from completed properties and investments £161,620 (1972 £160,552) is dealt with in the accounts of the company.

7. Earnings per Share

The basic earnings per share is calculated on profit for the year from completed properties and investments of £204,752 (1972 £166,697) and on 5,814,834 (1972 5,566,028) ordinary shares.

The fully diluted earnings per share is calculated on the same earnings but on 10,790,725 (1972 10,021,500) shares including 4,975,891 (1972 4,455,472) capital shares which are convertible to ordinary shares on 1 July, 1975 or such earlier date as the directors determine.

The numbers of shares on which earnings for 1972 have been calculated have been adjusted to take account of the capitalisation issue made on 23 March 1973 but exclude 248,806 ordinary and 371,903 capital shares being the adjusted amounts of shares issued in June, 1972 which did not rank for participation in profits in 1972.

BALANCE SHEETS

8. Share capital

	1973 £	1972 £
Authorised		
8,000,000 shares of 25p each		£2,000,000
12,000,000 shares of 25p each	£3,000,000	

The authorised share capital was increased at an extraordinary general meeting held on 13 December 1972

	1973 £	1972 £
Issued and fully paid		
4,361,126 ordinary shares of 25p each	—	1,090,281
3,620,531 capital shares of 25p each	—	905,133
5,814,834 ordinary shares of 25p each	1,453,708	—
4,975,891 capital shares of 25p each	1,243,973	—
	£2,697,681	£1,995,414

Movements of issued shares in year

	Ordinary	Capital
Balance 30 June 1972	4,361,126	3,620,531
Scrip issue in lieu of 1972 dividend	—	111,387
	4,361,126	3,731,918
Capitalisation issue on 23 March 1973, by way of a bonus of one share for every three held	1,453,708	1,243,973
	5,814,834	4,975,891

8. **Share Capital (continued)**

The proposed dividend of 4.96% for 1973 totalling £72,104, is calculated on £1,453,708, (5,814,834) ordinary shares. Together with its related tax credit the dividend is equivalent to a gross 7.09% which, after taking into account the effect of the capitalisation issue during the year, represents an increase of 5% over the 1972 gross dividend of 9% paid on £1,043,630 (4,174,521) ordinary shares.
Holders of 4,975,891 capital shares will receive a scrip issue of 88,023 capital shares at the rate of 1·769 per 100 capital shares held in lieu of dividend for the year ended 30 June 1973, and subject to the resolution to be proposed at the extraordinary general meeting to be held 19 December 1973 being approved an additional scrip issue of 49,758 capital shares at the rate of 1 per 100 capital shares held before the above mentioned scrip issue.

TOWN
CENTRE
SECURITIES
LIMITED

9. **Capital reserves**

	The Company	The Group
	£	£
Balance at 30 June 1972	2,233,016	2,309,610
Surplus arising on revaluation of properties less interest of minority and valuation costs	11,863,362	12,311,624
Surplus arising on revaluation of investments in subsidiaries related to group properties revaluation	510,774	—
Transfer to profit and loss account	*(74,112)*	*(74,112)*
Scrip issue of capital shares	*(27,847)*	*(27,847)*
Capitalisation issue by way of bonus of one share for every three held	*(674,420)*	*(674,420)*
Adjustments to goodwill arising on acquisition of subsidiaries	—	*(6,885)*
Stamp duty on increase in authorised share capital	*(5,000)*	*(5,000)*
	£13,825,773	£13,832,970

Capital reserves include £272,817 in respect of share premium account.
In regard to the gross surplus of £12,382,324 no provision has been made for taxation on potential capital gains.

10. **Loan capital (secured)**

This consists of loans not wholly repayable within 5 years. Details of the amounts outstanding are as follows

			1973	1972
HOLDING COMPANY			£	£
(a)	6% First mortgage debenture stock	1980/85	249,500	255,200
(b)	7% First mortgage debenture stock	1982/87	172,369	176,046
(c)	8⅕% Mortgage	2009	2,100,000	2,100,000
(d)	6½% Mortgage	1988	172,900	174,800
(e)	7% Mortgage	2005	171,200	176,550
(f)	7¼% Mortgage	1987	238,211	242,366
(g)	10½% Mortgage	1995	198,350	199,150
(h)	10⅕% Mortgage	2003	1,500,000	—
(i)	10⅗% Mortgage	2003	800,000	—
			5,602,530	3,324,112
	Less 6% First mortgage debenture stock 1980/85 owned by subsidiary		5,600	—
			5,596,930	3,324,112
SUBSIDIARY				
(j)	6½% Mortgage	2004/7	488,463	490,857
			£6,085,393	£3,814,969

The above debentures and mortgages are secured by fixed charges on properties owned by the company and its subsidiaries.

Brief particulars of the redemption terms attaching to the debentures and mortgages are given below:

(a) & (b) Redeemable at par. Annual repayments of £3,000 and £2,000 respectively, together with amounts equal to one year's interest on stocks previously redeemed.

(c) Repayable on final redemption date.

(d) & (e) Repayable by fixed annual instalments of £1,900 and £5,350 respectively.

(f), (g) & (j) Repayable by unequal instalments during the term leaving £128,900, £136,000 and £200,000 respectively to be repaid on the final redemption dates.

(h) & (i) Repayable by half yearly instalments of £10,900 and £5,800 respectively from 1980 leaving £1,009,500 and £539,000 respectively to be repaid on the final redemption date.

TOWN CENTRE SECURITIES LIMITED

11. Taxation

(a) Taxation includes corporation tax £170,000 (holding company £41,000) payable 31 March 1974 or later and Advance Corporation Tax of £30,902 attributable to the proposed dividend.

(b) Taxation recoverable in future periods:

	The Company £	The Group £
Corporation tax on year end provisions for mortgage and debenture interest payable	89,750	98,450
Advance Corporation Tax recoverable	30,902	30,902
	£120,652	£129,352

12. Fixed assets

Freehold and long leasehold investment properties

	The Company Freehold £	The Company Long Leasehold £	The Group Freehold £	The Group Long Leasehold £
At valuation as at 30 June 1973 by:				
Jones, Lang, Wootton	4,747,500	16,302,500	5,824,500	16,302,500
Lewis and Tucker	610,000	—	1,335,000	—
St. Quintin, Son & Stanley	1,350,000	260,000	1,350,000	260,000
	6,707,500	16,562,500	8,509,500	16,562,500
At cost	332,543	—	608,448	—
	£7,040,043	£16,562,500	£9,117,948	£16,562,500

Movements in the year

	The Company Freehold £	The Company Long Leasehold £	The Group Freehold £	The Group Long Leasehold £
Balance at 30 June 1972	2,237,233	5,711,730	4,098,217	5,711,730
Expenditure	1,315,318	4,734	1,335,875	4,734
Disposals	—	—	*(1,350)*	—
Transfer from properties in course of development	—	2,241,221	—	2,241,221
Transfer from subsidiary	285,602	—	—	—
Provision for costs of completing building work	80,000	275,000	80,000	275,000
Surplus on revaluation	3,121,890	8,329,815	3,605,206	8,329,815
	£7,040,043	£16,562,500	£9,117,948	£16,562,500
	£23,602,543		£25,680,448	

Properties in course of development

	Freehold £	Long Leasehold £	Total £
At valuation as at 30 June 1973 by:			
Jones, Lang, Wootton	665,000	—	665,000
Lewis and Tucker	70,000	168,000	238,000
	735,000	168,000	903,000
At cost	—	12,739	12,739
	£735,000	£180,739	£915,739

	Freehold £	Long Leasehold £	Total £
Movements in the year:			
Balance at 30 June 1972	174,947	1,257,430	1,432,377
Expenditure	139,424	1,137,856	1,277,280
Transfer to investment properties	—	*(2,241,221)*	*(2,241,221)*
Surplus on valuation	420,629	26,674	447,303
	£735,000	£180,739	£915,739

TOWN CENTRE SECURITIES LIMITED

12. Fixed Assets (continued)

Motor vehicles, office and other equipment	The Company Cost £	The Company Depreciation £	The Group Cost £	The Group Depreciation £
Balance as at 30 June 1972	35,030	17,885	51,360	23,907
Additions	25,693	—	29,947	—
Transfer from subsidiary	1,387	—	—	—
Disposals	*(9,381)*	*(7,123)*	*(11,505)*	*(7,874)*
Charge for year	—	10,110	—	12,673
Balance as at 30 June 1973	£52,729	£20,872	£69,802	£28,706
	£31,857		£41,096	

13. Investments

(a) **Quoted**

	1973 £	1972 £
Cost	187,468	58,447
Market valuation 27 September, 1971 (date of acquisition of Rochdale Canal Company), less estimated corporation tax in the event of disposal	36,321	228,895
	£223,789	£287,342
Market value at the balance sheet date, less estimated corporation tax in the event of disposal	£235,376	£311,102

(b) **Unquoted**

The company holds 50% (1972 50%) of the issued ordinary share capital of Buckley Properties (Leeds) Limited. The investment is stated at cost.

The company's share of profits attributable to the investment as disclosed by the latest available accounts amounted to £2,275 before tax and £1,312 after tax and the share of undistributed profits accumulated since acquisition amounted to £6,535.

14. Subsidiaries

(a) Interest in subsidiaries	1973 £	1972 £
Shares at directors' valuation (1972 at cost less amounts written off)	2,019,235	1,498,606
Amounts due (to) from subsidiaries on current account including dividends receivable	*(188,869)*	176,115
	1,830,366	1,674,721
Less: Amounts due to subsidiary on loan account	725,000	570,000
	£1,105,366	£1,104,721

(b) The company's active subsidiaries all operating in the U.K. are:	Proportion of equity share capital held 1973	1972
Town Centre Securities (Scotland) Limited	90%	90%
Town Centre Enterprises Limited	100%	100%
Rochdale Canal Company	61.52%	61.23%
Blackpool Markets Limited	100%	100%

15. Capital Commitments

	1973 The Company £	1973 The Group £	1972 The Company £	1972 The Group £
Capital expenditure authorised by the board but not contracted for at the balance sheet date estimated at	11,279,000	11,279,000	845,000	880,000
Expenditure contracted for estimated at	113,500	151,000	1,167,000	1,185,000

AUDITORS' REPORT TO THE MEMBERS OF TOWN CENTRE SECURITIES LIMITED

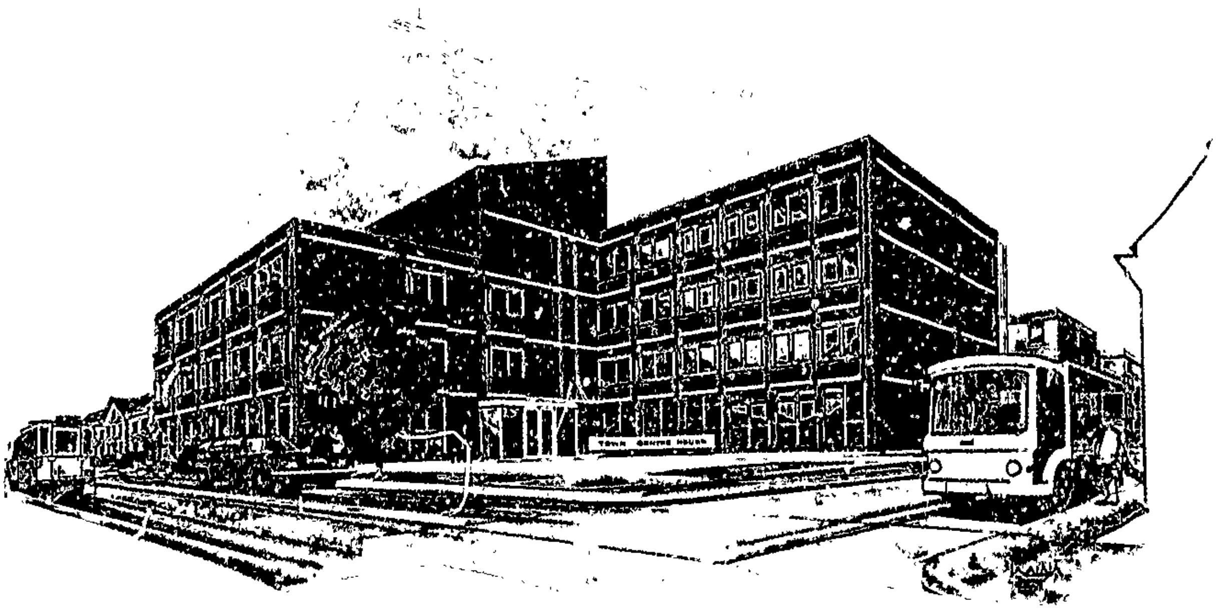
In our opinion the foregoing accounts and notes give a true and fair view of the state of affairs at 30 June 1973 and of the profit for the year then ended of the company and of the group and comply with the Companies Acts, 1948 and 1967.

29 East Parade, Leeds LS1 5PX
30 October, 1973

PRICE WATERHOUSE & CO
Chartered Accountants

UPPER FORE STREET, EDMONTON

Shop and office development adjoining Marks & Spencer and F W Woolworth & Company Limited
Construction to commence early 1974



SOUTHAM ROAD, BANBURY, OXON

Attractive office development now under construction to provide
24,000 square feet of fully air-conditioned prestige accommodation

PAST RECORD

TOWN CENTRE SECURITIES LIMITED

	1963 £	1964 £	1965 £	1966 £	1967 £
Issued share capital	300,000	450,000	1,800,000	1,800,000	1,800,000
Reserves	315,758	3,010,473	2,023,551	2,093,269	2,106,438
Net worth attributable to shareholders	615,758	3,460,473	3,823,551	3,893,269	3,906,438
Minority interest	—	799	9,978	9,994	10,235
Loan capital	942,942	2,094,368	2,942,662	3,116,660	3,222,571
Other liabilities	855,708	821,002	1,384,057	1,653,494	1,696,879
	£2,414,408	£6,376,642	£8,160,248	£8,673,417	£8,836,123
Properties	2,338,551	6,278,294	7,929,481	8,378,055	8,571,412
Investments in shares	500	500	158,940	159,031	159,031
Other assets	75,357	97,848	71,827	136,331	105,680
	£2,414,408	£6,376,642	£8,160,248	£8,673,417	£8,836,123
Profit before tax from completed properties and investments	32,815	99,362	187,003	215,223	223,311
Dividend cost	16,538	41,343	79,313	135,000	135,000
Dividend rate	0.79%	1.97%	3.94%	3.94%	3.94%
Accumulated profit retained	3,184	15,245	31,117	100,466	104,810
Earnings per share	0.21p	0.61p	1.05p	1.36p	1.45p

Such adjustments have been made in the above summary as are considered necessary for comparison purposes.

	1967	1968	1969	1970	1971	1972	1973
	£	£	£	£	£	£	£
)00	1,800,000	1,800,000	1,800,000	1,800,000	1,849,328	1,995,414	2,697,681
269	2,106,438	2,129,859	2,145,872	2,400,865	2,426,400	2,626,386	14,282,394
269	3,906,438	3,929,859	3,945,872	4,200,865	4,275,728	4,621,800	16,980,075
)94	10,235	10,074	9,319	8,650	9,385	420,153	463,226
560	3,222,571	3,616,817	3,613,576	3,593,009	3,761,067	3,814,969	6,085,393
494	1,696,879	1,751,675	1,575,303	1,262,764	1,532,378	3,146,840	3,733,926
17	£8,836,123	£9,308,425	£9,144,070	£9,065,288	£9,578,558	£12,003,762	£27,262,620
)55	8,571,412	9,043,660	8,825,481	8,738,221	9,062,673	11,242,324	26,596,187
)31	159,031	159,031	169,542	169,542	261,648	287,842	224,289
331	105,680	105,734	149,047	157,525	254,237	473,596	442,144
17	£8,836,123	£9,308,425	£9,144,070	£9,065,288	£9,578,558	£12,003,762	£27,262,620
223	223,311	234,510	200,994	210,561	213,367	290,178	379,924
000	135,000	135,000	135,000	78,272	83,490	93,927	72,104
4%	3.94%	3.94%	3.94%	3.94%	4.20%	4.72%	4.96%
66	104,810	131,783	114,306	195,321	244,006	316,776	449,424
6p	1.45p	1.47p	1.22p	1.27p	1.34p	1.66p	1.90p

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