



Company Registration Number 00990692

Parry Homes Limited

Financial Statements

31 December 2008

PARRY HOMES LIMITED

The Director's Report

Year ended 31 December 2008

The director presents his report and the financial statements of the company for the year ended 31 December 2008.

Principal activities

The principal activity of the company during the year was housing and commercial property development.

Director

The director who served the company during the year was as follows:

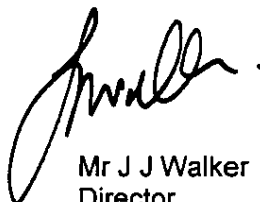
Mr J J Walker

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Churchill House
Regent Road
Stoke on Trent
Staffordshire
ST1 3RQ

Signed by



Mr J J Walker
Director

Approved by the director on 21 August 2009

PARRY HOMES LIMITED

Statement of Director's Responsibilities

Year ended 31 December 2008

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

In so far as the director is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

PARRY HOMES LIMITED

Independent Auditor's Report to the Shareholder

Year ended 31 December 2008

We have audited the financial statements of Parry Homes Limited for the year ended 31 December 2008 on pages 5 to 11, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and on the basis of the accounting policies set out on page 7.

This report is made solely to the company's shareholder, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholder those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of director and auditor

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 director's remuneration and other transactions is not disclosed.

We read the Director's 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 International Standards on Auditing (UK and Ireland) 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 director 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.

PARRY HOMES LIMITED

Independent Auditor's Report to the Shareholder *(continued)*

Year ended 31 December 2008

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Director's Report is consistent with the financial statements.



CLB Coopers
Chartered Accountants
& Registered Auditors

Fleet House
New Road
Lancaster
LA1 1EZ

21 August 2009

PARRY HOMES LIMITED

Profit and Loss Account

Year ended 31 December 2008

| | Note | 2008 £ | 2007 £ |
|---|-------------|-------------------------|---------------------|
| Turnover | | — | — |
| Administrative expenses | | 110,703 | 494 |
| Other operating income | | — | — |
| | | <hr/> | <hr/> |
| (Loss)/profit on ordinary activities before taxation | | (110,703) | (494) |
| Tax on (loss)/profit on ordinary activities | 2 | — | 252 |
| | | <hr/> | <hr/> |
| (Loss)/profit for the financial year | | <u>(110,703)</u> | <u>(746)</u> |

The accounting policies and notes on pages 7 to 11 form part of these financial statements.

PARRY HOMES LIMITED

Balance Sheet

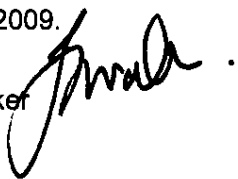
31 December 2008

| | Note | 2008 £ | 2007 £ |
|--|------|-------------|-------------|
| Fixed assets | | | |
| Investments | 3 | — | — |
| Current assets | | | |
| Debtors | 4 | 1,400 | 111,147 |
| Cash at bank | | 2,350 | 3,306 |
| | | 3,750 | 114,453 |
| Creditors: Amounts falling due within one year | 6 | (10,898) | (10,898) |
| Net current (liabilities)/assets | | (7,148) | 103,555 |
| Total assets less current liabilities | | (7,148) | 103,555 |
| Creditors: Amounts falling due after more than one year | 7 | (5,000,000) | (5,000,000) |
| | | (5,007,148) | (4,896,445) |
| Capital and reserves | | | |
| Called-up equity share capital | 9 | 10,000 | 10,000 |
| Profit and loss account | 10 | (5,017,148) | (4,906,445) |
| Deficit | 11 | (5,007,148) | (4,896,445) |

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

These financial statements were approved and signed by the director and authorised for issue on 21 August 2009.

Mr J J Walker
Director



The accounting policies and notes on pages 7 to 11 form part of these financial statements.

PARRY HOMES LIMITED

Accounting Policies

Year ended 31 December 2008

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Fixed Assets

All fixed assets are initially recorded at cost.

Investments

Investments are included at cost less amounts written off.

Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

PARRY HOMES LIMITED

Notes to the Financial Statements

Year ended 31 December 2008

1. Operating (loss)/profit

Operating (loss)/profit is stated after crediting:

| | 2008 £ | 2007 £ |
|-----------------------|-----------|-----------|
| Director's emoluments | — | — |

2. Taxation on ordinary activities

Analysis of charge in the year

| | 2008 £ | 2007 £ |
|---|-----------|-----------|
| Deferred tax: | | |
| Origination and reversal of timing differences (note 5) | | |
| Capital allowances | — | 252 |

3. Investments

| | Shares in group undertakings £ | Other investments £ | Total £ |
|--|---|---------------------------|------------|
| Cost | | | |
| At 1 January 2008 and 31 December 2008 | 4 | 1 | 5 |
| Amounts written off | | | |
| At 1 January 2008 and 31 December 2008 | 4 | 1 | 5 |
| Net book value | | | |
| At 31 December 2008 | — | — | — |
| At 31 December 2007 | — | — | — |

The company owns 100% of the issued share capital of the companies listed below, both of which are incorporated in England and Wales and are both dormant.

| | 2008 £ | 2007 £ |
|--|-----------|-----------|
| Aggregate capital and reserves | | |
| Finchwold Limited (dormant) | — | (18,260) |
| Avonside Country Homes Limited (dormant) | — | (98,192) |

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

PARRY HOMES LIMITED

Notes to the Financial Statements

Year ended 31 December 2008

4. Debtors

| | 2008 £ | 2007 £ |
|------------------------------------|--------------|----------------|
| Amounts owed by group undertakings | — | 109,742 |
| Other debtors | — | 5 |
| Deferred taxation (note 5) | 1,400 | 1,400 |
| | <u>1,400</u> | <u>111,147</u> |

5. Deferred taxation

The deferred tax included in the Balance sheet is as follows:

| | 2008 £ | 2007 £ |
|------------------------------|--------------|--------------|
| Included in debtors (note 4) | <u>1,400</u> | <u>1,400</u> |

The movement in the deferred taxation account during the year was:

| | 2008 £ | 2007 £ |
|--|--------------|--------------|
| Balance brought forward | 1,400 | 1,652 |
| Profit and loss account movement arising during the year | — | (252) |
| Balance carried forward | <u>1,400</u> | <u>1,400</u> |

The balance of the deferred taxation account consists of the tax effect of timing differences in respect of:

| | 2008 £ | 2007 £ |
|---|--------------|--------------|
| Excess of depreciation over taxation allowances | <u>1,400</u> | <u>1,400</u> |
| | <u>1,400</u> | <u>1,400</u> |

6. Creditors: Amounts falling due within one year

| | 2008 £ | 2007 £ |
|------------------------------|---------------|---------------|
| Accruals and deferred income | 10,898 | 10,898 |
| | <u>10,898</u> | <u>10,898</u> |

7. Creditors: Amounts falling due after more than one year

| | 2008 £ | 2007 £ |
|---|------------------|------------------|
| Shares classed as financial liabilities | <u>5,000,000</u> | <u>5,000,000</u> |

PARRY HOMES LIMITED

Notes to the Financial Statements

Year ended 31 December 2008

8. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities from the requirement to disclose transactions with group companies on the grounds that it is a wholly owned subsidiary whose accounts are consolidated into group accounts which are publicly available from the parent company.

9. Share capital

Authorised share capital:

| | 2008 £ | 2007 £ |
|--|------------------|------------------|
| 10,000 Ordinary shares of £1 each | 10,000 | 10,000 |
| 5,000,000 Nil% Redeemable convertible preference shares of £1 each | 5,000,000 | 5,000,000 |
| | <u>5,010,000</u> | <u>5,010,000</u> |

Allotted, called up and fully paid:

| | 2008 No | £ | 2007 No | £ |
|--|------------------|------------------|------------------|------------------|
| Ordinary shares of £1 each | 10,000 | 10,000 | 10,000 | 10,000 |
| Nil% Redeemable convertible preference shares of £1 each | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| | <u>5,010,000</u> | <u>5,010,000</u> | <u>5,010,000</u> | <u>5,010,000</u> |

| | 2008 £ | 2007 £ |
|----------------------------|---------------|---------------|
| Ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> |

Amounts presented in liabilities:

| | | |
|--|------------------|------------------|
| Nil% Redeemable convertible preference shares of £1 each | <u>5,000,000</u> | <u>5,000,000</u> |
|--|------------------|------------------|

The preference shares may be redeemed at par value or converted to ordinary shares at any time at the option of the preference shareholders.

The preference shareholders are entitled to repayment of capital on a winding up of the company. They are not entitled to vote at a general meeting of the company.

10. Profit and loss account

| | 2008 £ | 2007 £ |
|--------------------------------------|--------------------|--------------------|
| Balance brought forward | (4,906,445) | (4,905,699) |
| (Loss)/profit for the financial year | <u>(110,703)</u> | <u>(746)</u> |
| Balance carried forward | <u>(5,017,148)</u> | <u>(4,906,445)</u> |

PARRY HOMES LIMITED

Notes to the Financial Statements

Year ended 31 December 2008

11. Reconciliation of movements in shareholder's funds

| | 2008 | 2007 |
|--------------------------------------|---------------------------|---------------------------|
| | £ | £ |
| (Loss)/Profit for the financial year | (110,703) | (746) |
| Opening shareholder's deficit | (4,896,445) | (4,895,699) |
| Closing shareholder's deficit | <u>(5,007,148)</u> | <u>(4,896,445)</u> |

12. Ultimate parent company

The immediate parent company is Avonside Group Holdings Limited, a company incorporated in England and Wales.

The ultimate parent company is Avonside Group Limited, a company incorporated in England and Wales.

The ultimate controlling party is Mr J J Walker by virtue of his majority shareholding in the ultimate parent company.

Copies of the group accounts can be obtained from the company's registered office at Churchill House, Regent Road, Stoke on Trent, Staffordshire, ST1 3RQ.