



SUNGUARD HOMES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2001

SUNGUARD HOMES LIMITED

FINANCIAL STATEMENTS

For the year ended 31 December 2001

Company registration number: 1008144

Registered office: The Clock House
Frogmoor
HIGH WYCOMBE
Bucks
HP13 5DL

Directors: Mr N H Brunskill
Mr A Lakhani

Secretary: Mr A Lakhani

Auditors: Grant Thornton
Registered auditors
Chartered accountants

SUNGUARD HOMES LIMITED

FINANCIAL STATEMENTS

For the year ended 31 December 2001

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SUNGUARD HOMES LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 December 2001.

Principal activities

The company is principally engaged in the sale of land and the building of houses for resale.

Business review

There was a profit for the year after taxation amounting to £731,610 (2000: loss £79,064). The directors do not recommend payment of a dividend.

Directors

The present membership of the Board is set out below. J P Spencer resigned from the Board on 31 December 2001.

Mr N H Brunskill
Mr A Lakhani

None of the directors had any interests in the shares of the company or other group undertakings at 31 December 2001 or 1 January 2001.

Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year 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 financial statements, 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 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 maintaining proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD



A Lakhani
Director
2 August 2002

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SUNGUARD HOMES LIMITED**

We have audited the financial statements of Sunguard Homes for the year ended 31 December 2001 which comprise the principal accounting policies, the profit and loss account, the balance sheet and notes 1 to 15. 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 directors' report and the financial statements in accordance with 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.

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 other information contained in the directors' report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 31 December 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

OXFORD
9 September 2002

SUNGUARD HOMES LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under the historical cost convention.

The company is exempt from preparing group financial statements on the grounds that it is a subsidiary of another body corporate registered in England and Wales. These financial statements therefore present information about the company as an individual undertaking and not about its group.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

TURNOVER

Turnover represents the amount receivable by the company for property sales and services supplied to customers in the United Kingdom. Property sales are accounted for upon exchange of contracts provided that the building work has been completed.

INVESTMENTS

Investments are included at cost less amounts written off.

STOCKS

Stocks are stated at the lower of cost, including an addition for attributable overheads where appropriate, and net realisable value.

DEFERRED TAXATION

Deferred tax is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided deferred tax is disclosed as a contingent liability.

CONTRIBUTIONS TO PENSION FUNDS

Defined contribution scheme

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

SUNGUARD HOMES LIMITED**PROFIT AND LOSS ACCOUNT**

For the year ended 31 December 2001

	Note	2001 £	2000 £
Turnover	1	2,100,050	58,338
Cost of sales		(1,335,902)	(108,366)
Gross profit		764,148	(50,028)
Operating charges		(32,623)	(28,973)
Other operating income		94	-
Operating profit/(loss)		731,619	(79,001)
Interest payable and similar charges	2	(9)	(63)
Profit/(loss) on ordinary activities before taxation	1	731,610	(79,064)
Tax on profit/(loss) on ordinary activities		-	-
Profit/(loss) transferred to/(from) reserves	10	731,610	(79,064)

There were no recognised gains or losses other than the profit for the financial year.

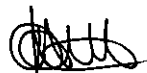
SUNGUARD HOMES LIMITED

BALANCE SHEET AT 31 DECEMBER 2001

	Note	2001 £	2001 £	2000 £	2000 £
Fixed assets					
Investments	5		1,000,000		1,000,000
			<u>1,000,000</u>		<u>1,000,000</u>
Current assets					
Stocks	6	22,521		115,869	
Debtors	7	1,562,002		807,392	
Cash at bank and in hand		-		1,992	
		<u>1,584,523</u>		<u>925,253</u>	
Creditors: amounts falling due within one year	8	(1,356,867)		(1,429,207)	
Net current assets			<u>227,656</u>		<u>(503,954)</u>
Total assets less current liabilities			<u>1,227,656</u>		<u>496,046</u>
Capital and reserves					
Called up share capital	9		997,195		997,195
Capital redemption reserve	10		2,805		2,805
Profit and loss account	10		227,656		(503,954)
Equity shareholders' funds	11		<u>1,227,656</u>		<u>496,046</u>

The financial statements were approved by the Board of Directors on 2 August 2002

A Lakhani



Director

The accompanying accounting policies and notes form an integral part of these financial statements.

SUNGUARD HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2001

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit before taxation are attributable to house building.

The profit on ordinary activities is stated after:

	2001 £	2000 £
Other operating income includes:		
Interest and Insurance Receipts	94	-

2 INTEREST PAYABLE AND SIMILAR CHARGES

	2001 £	2000 £
Other interest payable	9	63

3 DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	2001 £	2000 £
Wages and salaries	25,125	21,168
Social security costs	795	1,903
Other pension costs	1,050	(167)
	26,970	22,904

The average number of employees of the company during the year was 1 (2000: 3).

4 TAXATION

The company has tax losses available, which can be offset against future taxable profits. A deferred tax asset has not been recognised due to the uncertainties surrounding the timing of the reversals.

SUNGUARD HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2001

5 FIXED ASSETS INVESTMENTS

	Shares in group company £
Cost	
At 1 January 2001 and at 31 December 2001	1,000,000

The company holds 100% of the ordinary share capital of Sunguard Homes (Eastern) Limited. Sunguard Homes (Eastern) Limited is registered in England and Wales and its principal activity is building houses for resale.

6 STOCKS

	2001 £	2000 £
Land	22,001	22,001
Work in progress	520	93,868
	<u>22,521</u>	<u>115,869</u>

7 DEBTORS

	2001 £	2000 £
Trade debtors	24,431	29,247
Amounts owed by group undertakings	1,537,571	778,145
	<u>1,562,002</u>	<u>807,392</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Bank overdraft	6,488	-
Trade creditors	193,277	214,022
Amounts owed to group undertakings	999,645	1,097,588
Social security and other taxes	81,406	8,323
Other creditors	1,681	98,157
Accruals and deferred income	74,370	11,117
	<u>1,356,867</u>	<u>1,429,207</u>

The bank overdraft is secured by a fixed and floating charge over all of the company's assets.

SUNGUARD HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2001

9 SHARE CAPITAL

	2001 £	2000 £
Authorised 1,000,000 ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid 997,195 ordinary shares of £1 each	<u>997,195</u>	<u>997,195</u>

10 RESERVES

	Capital redemption reserve £	Profit and loss account £
At 1 January 2001	2,805	(503,954)
Retained profit for the year	-	731,610
At 31 December 2001	<u>2,805</u>	<u>227,656</u>

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Profit for the financial year	731,610	(79,064)
Shareholders' funds at 1 January 2001	<u>496,046</u>	<u>575,110</u>
Shareholders' funds at 31 December 2001	<u>1,227,656</u>	<u>496,046</u>

12 CAPITAL COMMITMENTS

The company had no capital commitments at 31 December 2001 or 31 December 2000.

SUNGUARD HOMES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2001

13 CONTINGENT LIABILITIES

The company is a party to a multilateral bank guarantee with its parent and fellow group undertakings. This is secured on the assets of the company. At 31 December 2001 the contingent liability amounted to £7,699,000 (2000:£11,078,000).

The company, together with its parent and fellow group undertakings, has given indemnities to its bankers and the National House Building Council by Edmond Holdings Limited and its subsidiary undertakings in respect of performance bonds in the normal course of business.

There were no other contingent liabilities at 31 December 2001 or 31 December 2000.

14 ULTIMATE PARENT UNDERTAKING

The directors consider that the ultimate parent undertaking of this company is Doverline Limited which is registered in England and Wales.

15 RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of Roxylight Homes Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group.