

Antler Homes North West Plc

Report and Financial Statements

Year Ended

30 June 2011

Company Number 1557514



Antler Homes North West Plc

**Report and financial statements
for the year ended 30 June 2011**

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Directors

J H Bell
S Millgate

Secretary and registered office

G E C Atwell, Unit 64, Barwell Business Park, Leatherhead Road, Chessington, Surrey, KT9 2NY

Company number

1557514

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Antler Homes North West Plc

Report of the directors for the year ended 30 June 2011

The directors present their report together with the audited financial statements for the year ended 30 June 2011

Results and dividends

The profit and loss account is set out on page 6 and shows the loss for the year. The loss for the year attributable to members amount to £1,340,965 (2010 - £589,390)

The directors do not recommend the payment of a dividend (2010 - £Nil)

Principal activities, trading review and future developments

Performance

Antler Homes North West Plc (the 'Company') is a wholly owned subsidiary of Antler Homes Plc (the 'Group'), and operates solely within the UK residential housing market. The principal activity is the development of new residential homes for sale to the private sector.

The directors continue to actively search for review and bid upon sites that will be suitable for residential development by the company. However, symptomatic of the residential property development market as a whole, the directors have found the task of securing suitable sites to be challenging and considerably more lengthy process than in previous years.

The company completed on a land sale and nil plots (2010 - 7) plots in the year.

Prior year adjustments

In prior years the company had operated a policy of capitalising interest. In light of the current economic climate and in accordance with industry practice, they have decided to change the policy and write off interest and finance costs when incurred through the profit and loss account. This has given rise to a prior year adjustment.

The results for the comparative year 2010 have been re-stated and the impact of the change is fully detailed in note 1 to the financial statements.

Risks and uncertainties

The principal risks and uncertainties remain primarily outside with the control of the Board. The business is subject to the inherent difficulties and delays within the Government led housing planning regime and the wider economic market. The company is financed by third party debt and is thus exposed to movements in the base rates set by the Bank of England. This has both a finance cost impact, and impact on customer activity levels across the UK home ownership market.

To mitigate this the company is seeking development opportunities with at least outline planning permission and with increased profit margins.

Antler Homes North West Plc

Report of the directors for the year ended 30 June 2011

Principal activities, trading review and future developments *(continued)*

Employees

Details of the number of employee and related costs are set out in note 2 to the financial statements

Creditor days and payment policy

It is the Company policy to agree and clearly communicate the terms of payment as part of the commercial arrangement negotiated with suppliers and then to pay according to those terms based upon the timely receipt of an accurate invoice

Directors

The directors of the company during the year were

J H Bell
S Millgate

No director has or had at any time during the year any interest in the shares of the company or any other group undertaking

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Antler Homes North West Plc

Report of the directors for the year ended 30 June 2011 (*continued*)

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

By order of the Board

G E C Atwell



Secretary

26 September 2011

Antler Homes North West Plc

Independent auditor's report

TO THE MEMBERS OF ANTLER HOMES NORTH WEST PLC

We have audited the financial statements of Antler Homes North West Plc for the year ended 30 June 2011 which comprise the profit and loss account, the statement of total recognised gains and losses, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 June 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company is reliant on the continuing support of its immediate parent undertaking.

Antler Homes North West Plc

Independent auditor's report *(continued)*

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

BDO LLP

*Alexander Tapp, (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

26 September 2011

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Antler Homes North West Plc

Profit and loss account for the year ended 30 June 2011

	Note	2011 £	2010 As restated £
Turnover	1	1,165,000	2,453,500
Cost of sales		<u>(2,349,306)</u>	<u>(2,548,829)</u>
Gross loss		(1,184,306)	(95,329)
Administrative expenses		<u>(159,537)</u>	<u>(247,292)</u>
		(1,343,843)	(342,621)
Other operating income	4	<u>47,033</u>	<u>70</u>
Operating loss	5	(1,296,810)	(342,551)
Interest receivable and similar income	6	-	680
Interest payable and similar charges	7	<u>(45,187)</u>	<u>(247,519)</u>
Loss on ordinary activities before taxation		(1,341,997)	(589,390)
Taxation	8	<u>1,032</u>	<u>-</u>
Loss on ordinary activities after taxation		<u>(1,340,965)</u>	<u>(589,390)</u>

All amounts relate to continuing activities

The notes on pages 9 to 16 form part of these financial statements

Antler Homes North West Plc

Statement of total recognised gains and losses for the year ended 30 June 2011

	2011	2010
	£	As restated £
Loss for the financial year	(1,340,965)	(589,390)
Total gains and losses for the financial year	(1,340,965)	(589,390)
Prior year adjustment - interest capitalisation	(237)	
Total gains and losses since last financial statements	(1,341,202)	

The notes on pages 9 to 16 form part of these financial statements

Antler Homes North West Plc

Balance sheet at 30 June 2011

Company number 1557514	Note	2011	2011	2010	2010
		£	£	As restated	As restated
				£	£
Fixed assets					
Tangible assets	9		-		-
Current assets					
Stocks	10	105,750		2,277,176	
Debtors	11	698,076		576,373	
		<u>803,826</u>		<u>2,853,549</u>	
Creditors: amounts falling due within one year	12	5,495,800		6,204,558	
Net current liabilities			<u>(4,691,974)</u>		<u>(3,351,009)</u>
Net liabilities			<u>(4,691,974)</u>		<u>(3,351,009)</u>
Capital and reserves					
Called up share capital	13		814,150		814,150
Profit and loss account	14		(5,506,124)		(4,165,159)
Equity shareholders' deficit	15		<u>(4,691,974)</u>		<u>(3,351,009)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26 September 2011


J Bell
Director

The notes on pages 9 to 16 form part of these financial statements

Antler Homes North West Plc

Notes forming part of the financial statements for the year ended 30 June 2011

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

The following principal accounting policies have been applied

Going concern

In assessing the company's ability to continue as a going concern the Directors have considered the company's reliance on the continued support from its parent company, Antler Homes Plc. The company's ability to continue as a going concern is dependent upon the continued support of its parent company, Antler Homes Plc, to enable it to meet its obligations as they fall due. Antler Homes PLC has indicated that it is willing to provide such support as is needed for a period of at least 12 months from the date of signing these financial statements. It is therefore appropriate to prepare the financial statements on the going concern basis.

Turnover

Turnover excludes value added tax and represents the sales value, net of rebates and discounts, of trading properties sold, which have been legally completed. Turnover does not include the sale of properties accepted in part exchange. All of the turnover and results before tax are derived from the company's principal activity and arise wholly within the United Kingdom.

Tangible fixed assets

Assets are depreciated in equal annual instalments over their estimated useful lives. The rates of depreciation are as follows:

Motor vehicles, furniture and equipment - 10 - 33%

Prior year adjustment

Previously interest and finance costs on loans used to finance the acquisition and construction of new build residential developments were capitalised in stock. These amounts were written off as a cost of sale on a proportional basis when a plot was legally sold.

This change in accounting policy has led to a prior year adjustment being made. The effect of this adjustment on the 2010 financial statements is to, reduce cost of sales by £482,009, increase interest payable by £247,519, and reduce stock by £237. The overall effect of this change in accounting policy is to reduce net assets at 1 July 2009 by £234,727 and 30 June 2010 by £237, as set out in note 15. The directors have not disclosed the effect of this change in accounting policy on the current year profit and loss because the cost of preparing this disclosure outweighs the benefits.

Stocks

Developments in progress are included in stocks at the lower of cost and net realisable value. Cost comprises the cost of the property acquired and direct costs. Net realisable value is the assessed sale price after deducting the cost of completing and selling.

Housing stocks are valued at the lower of cost and net realisable value.

Antler Homes North West Plc

Notes forming part of the financial statements for the year ended 30 June 2011 (*continued*)

1 Accounting policies (*continued*)

Finance costs

Finance costs are charged to profit and loss over the term of the debt so that the amount charged is at a constant rate on the carrying amount. Finance costs include issue costs which are initially recognised as a reduction in the proceeds of associated capital instrument.

Leases and the hire purchase agreements

Assets held under finance leases and hire purchase agreements and the related obligations are recorded in the balance sheet at the fair value of the assets at the inception of such leases and agreements. The amounts by which the lease and hire purchase payments exceed the recorded obligations are treated as finance charges which are amortised over the relevant term to give a constant rate of charge on the remaining balance of the obligations.

Rentals under operating leases are charged on a straight line basis over the lease term, even if payments are not made on such a basis.

Deferred taxation

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Pension and other post retirement benefits

The parent company operates on behalf of the Company a defined contribution (money purchase) pension scheme. Contributions are charged to the profit and loss account in the period to which they relate.

Cash flow statement

Under an exemption available in paragraph 5 (a) FRS 1 (revised), the Company has not prepared a cash flow statement.

2 Employees

	2011 £	2010 £
Staff costs consist of		
Wages and salaries	-	98,932
Social security costs	-	8,447
Other pension and life assurance costs	-	2,654
	<hr/>	<hr/>
	-	110,033
	<hr/>	<hr/>
	Number	Number
The average number of employees during the year was	-	2
	<hr/>	<hr/>

Antler Homes North West Plc

Notes forming part of the financial statements for the year ended 30 June 2011 (continued)

3 Directors

	2011 £	2010 £
Directors' remuneration consist of		
Directors' fees and other emoluments	-	71,518
Pension costs	-	2,156
	<hr/>	<hr/>
	-	73,674
	<hr/>	<hr/>
Remuneration of the highest paid director	-	71,518
Pension costs	-	2,156
	<hr/>	<hr/>
	-	73,674
	<hr/>	<hr/>

During the year 1 director was a member of the defined contribution (money purchase) scheme (2010 - 2)

4 Other operating income

	2011 £	2010 £
Sundry income	5,000	-
Net rents from development properties awaiting disposal	42,033	70
	<hr/>	<hr/>
	47,033	70
	<hr/>	<hr/>

5 Operating loss

	2011 £	2010 £
This has been arrived at after charging/(crediting)		
Depreciation		
- Owned assets	-	475
Auditors remuneration		
- Audit fees - current year provision	6,000	8,000
- Audit fees - prior year overprovision	(4,000)	25
- Other services	(950)	3,000
Operating lease rentals - Land and buildings	54,342	53,500
	<hr/>	<hr/>

Antler Homes North West Plc

Notes forming part of the financial statements
for the year ended 30 June 2011 (*continued*)

6 Interest receivable and similar income

	2011 £	2010 £
Other interest receivable	-	680

7 Interest payable and similar charges

	2011 £	2010 As restated £
Bank loans and overdrafts	45,187	247,519

8 Taxation on loss from ordinary activities

	2011 £	2010 As restated £
<i>Current tax</i>		
Overprovision of tax in prior years	1,032	-
Total current tax credit	1,032	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Tax credit on loss on ordinary activities	1,032	-

The tax assessed for the year differs from the standard rate of corporation tax in the UK The differences are explained below

	2011 £	2010 As restated £
Loss on ordinary activities before tax	(1,341,997)	(589,390)
Tax credit on loss on ordinary activities at the standard rate of corporation tax in the UK of 27.5% (2010 - 28%)	(369,050)	(165,029)
Effects of		
Capital allowances less than depreciation	4,386	(611)
Expenses not allowable for tax purposes	-	618
Losses carried forward	364,664	165,022
Overprovision of tax in prior years	(1,032)	-
Current tax credit for year	(1,032)	-

Unprovided deferred tax assets at the rate of 26% (2010 - 28%) in respect of tax losses amount to £731,760 (2010 - £462,483)

Tax losses in a prior period amounting to £41,214 have been group relieved for no consideration

Antler Homes North West Plc

Notes forming part of the financial statements
for the year ended 30 June 2011 (*continued*)

9 Tangible assets

	Motor vehicles, furniture and equipment £
<i>Cost</i>	
At 1 July 2010	66,290
Disposals	(66,290)
	<hr/>
At 30 June 2011	-
<i>Depreciation</i>	
At 1 July 2010	66,290
Disposals	(66,290)
	<hr/>
At 30 June 2011	-
	<hr/>
<i>Net book value</i>	
At 30 June 2011	-
	<hr/>
At 30 June 2010	-
	<hr/>

10 Stocks

Stocks comprise both land and buildings in progress held for development and sale

	2011 £	2010 As restated £
Land and buildings in progress	105,750	2,277,176
	<hr/>	<hr/>

11 Debtors

	2011 £	2010 £
Trade debtors	34,324	17,912
Other debtors	127,706	14,066
Prepayments and accrued income	4,984	13,195
Amounts owed by group undertakings	531,062	531,200
	<hr/>	<hr/>
	698,076	576,373
	<hr/>	<hr/>

All amounts fall due for payment within one year except as disclosed above

**Notes forming part of the financial statements
for the year ended 30 June 2011 (continued)**

Antler Homes North West Plc

Notes forming part of the financial statements
for the year ended 30 June 2011 (*continued*)

15 Reconciliation of movements in shareholders' funds

	2011 £	2010 As restated £
Loss for the financial year	(1,340,965)	(589,390)
Net reduction in shareholders' funds	(1,340,965)	(589,390)
Opening shareholders' funds as previously stated	(3,350,772)	(2,526,892)
Prior year adjustment	(237)	(234,727)
Opening shareholders' funds as restated	(3,351,009)	(2,761,619)
Closing shareholders' deficit	(4,691,974)	(3,351,009)

16 Commitments under operating leases

As at 30 June 2011, the company had annual commitments under operating leases as set out below

	2011 Land and buildings £	2010 Land and buildings £
Operating leases which expire		
Under one year	4,984	-
Over five years	-	53,500

The operating lease was determined on 4 August 2011

17 Related party transactions

Advantage has been taken of the exemption under Financial Reporting Standard No 8 not to disclose transactions between entities, where 100% of the voting rights are controlled within the Antler Property Corporation Limited Group. The financial statements of the ultimate parent company are available to the public at Palm Grove House, Road Town, Tortola, British Virgin Islands.

18 Contingent liabilities

The Company has given bond guarantees in the ordinary course of business amounting to £22,104 at 30 June 2011 (2010 - £211,395).

Antler Homes North West Plc

Notes forming part of the financial statements for the year ended 30 June 2011 (*continued*)

19 Ultimate parent company and controlling party

The immediate parent company is Antler Homes Plc, a company registered in England and Wales. The ultimate parent company is Antler Property Corporation Limited, a company having been incorporated in Bermuda, discontinued and holding a certificate of continuance in the British Virgin Islands.

Antler Homes Limited, a company incorporated in the British Virgin Islands and the parent company of Antler Homes Plc, is considered to be the controlling party of the company. The ultimate controlling party is considered to be the Trustee of the P S Gower Settlement.

The parent undertaking of the largest group, which includes the company and for which group accounts are prepared, is Antler Property Corporation Limited, the ultimate parent company.

The parent undertaking of the smallest such group is Antler Homes Plc, the immediate parent company.

20 Pension contributions

The parent company operates a defined contribution (money purchase) scheme. The cost to the company for the year was £Nil (2010 - £2,156). No outstanding or prepaid contributions existed at 30 June 2011 (2010 - £Nil).