

MALTING HOMES LIMITED
COMPANY NUMBER 2028606

FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 1994

Directors: R C Kerslake
D J Bridges
M J Foden
S C Guest

Secretary: S C Guest

Registered Office: Tauntonfield
South Road
Taunton
Somerset
TA1 3ND



MALTING HOMES LIMITED

DIRECTORS' REPORT

The directors submit herewith their report and financial statements for the year ended 31 December 1994.

Results and dividends

The trading profit for the year after taxation amounted to £23255.

In view of the trading results the directors do not recommend the payment of a dividend. This leaves an accumulated deficit of £36912 to be carried forward.

Principal activity

The company's principal activity during the year was to sell sheltered housing at its site in Chard, Somerset.

Fair review of the business

The number of sheltered units sold in 1994 amounted to 3. Out of a total of 59 units on the development, 52 properties had been sold, and at 31 December 1994 3 were unsold with work still to commence on 4 properties. With the exception of these 4 properties, construction work at the Chard development is substantially complete.

During the year bank borrowings decreased by £93837 and the company has the benefit of continued support from its bankers and shareholders. Unsold properties are in a substantially completed condition, and when these are ultimately disposed of the directors consider that the company will achieve an overall level of profitability. Having regard to the above, the directors are of the opinion that the company's financial position is satisfactory.

Directors and their interests

The directors who have served during the year were:

M J Foden	R C Kerslake
S C Guest	D J Bridges

No director was beneficially interested at any time in the shares of the company nor, with the exception of the company's ultimate holding company, in the shares of any other company in the group. Interests of directors in the shares of the ultimate holding company were as follows:-

<u>£1 Shares</u>	<u>At 1 January 1994</u>	<u>At 31 December 1994</u>
M J Foden	80000	80000
S C Guest	24000	24000

Fixed assets

The company has no fixed assets.

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 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;

MALTING HOMES LIMITED

DIRECTORS' REPORT - Continued

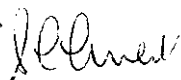
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution to re-appoint Messrs Amherst & Shapland as Auditors will be put to the members at the Annual General Meeting.

By order of the board.



S C Guest
Secretary

1 May 1995

AUDITORS' REPORT TO THE MEMBERS OF

MALTING HOMES LIMITED

We have audited the financial statements on pages 1 to 5 which have been prepared under the historical cost convention and the accounting policies set out on page 3.

Respective responsibilities of directors and auditors

As described in their report 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 judgments 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 1994 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Amherst & Shapland
Chartered Accountants
Registered Auditors
4 Irnham Road
Minehead
Somerset
TA24 5DG

1 May 1995

MALTING HOMES LIMITEDPROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
TURNOVER	1	137000	260911
Cost of sales		96890	182900
		-----	-----
GROSS PROFIT		40110	78011
Other operating expenses:			
Administrative expenses		5356	13350
		-----	-----
OPERATING PROFIT	2	34754	64661
Rental income		1920	-
		-----	-----
		36674	64661
Interest payable	4	13419	23565
		-----	-----
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		23255	41096
Taxation on profit on ordinary activities	5	-	-
		-----	-----
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		23255	41096
DEFICIT BROUGHT FORWARD		£(60167)	(101263)
		-----	-----
DEFICIT CARRIED FORWARD		£(36912)	£(60167)
		=====	=====

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

The notes on pages 3 to 5 form part of these financial statements.

MALTING HOMES LIMITEDBALANCE SHEET AS AT 31 DECEMBER 1994

	<u>Notes</u>	<u>1994</u>	<u>1993</u>
		£	£
CURRENT ASSETS			
Work in progress	6	90547	153203
Debtors	7	7275	10157
		-----	-----
		97822	163360
CREDITORS - Amounts falling due within one year			
	8	134634	223427
		-----	-----
NET LIABILITIES		£(36812)	£(60067)
		=====	=====
CAPITAL AND RESERVES			
Share holders funds			
Called up share capital	9	100	100
Profit and loss account deficit		(36912)	(60167)
		-----	-----
SHAREHOLDERS' FUNDS DEFICIT	14	£(36812)	£(60067)
		=====	=====

The notes on pages 3 to 5 form part of these financial statements.

R C Kerslake)
M J Foden) Directors

These financial statements were approved by the board of directors on 1 May 1995.

MALTING HOMES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 19941. ACCOUNTING POLICIESAccounting standards

The financial statements are prepared in accordance with applicable accounting standards.

Accounting convention

The financial statements are prepared under the historical cost convention.

Work in progress

Work in progress has been valued at the lower of cost and net realisable value.

Cost comprises direct materials, labour, stores, sub-contract work, transport and machinery.

Turnover

Turnover represents amounts invoiced in respect of sales during the year, net of Value Added Tax.

Basis for releasing profit

Profits are taken on legal completion, and are calculated with reference to the number of units sold to date at the average expected unit profit.

2. OPERATING PROFIT

	<u>1994</u> £	<u>1993</u> £
This is arrived at after charging:		
Auditors' remuneration	400	800
	===	===

3. DIRECTORS AND EMPLOYEES

The directors, who are the sole employees of the company, did not receive any remuneration during the year (1993: £Nil).

4. INTEREST PAYABLE

	<u>1994</u> £	<u>1993</u> £
On loans from associated companies repayable within 5 years	-	807
On bank overdraft repayable within 5 years	13419	22758
	-----	-----
	£13419	£23565
	=====	=====

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

No United Kingdom corporation tax is payable on the results for the year (1993: £Nil). Tax losses carried forward are estimated at £42882 (1993: £66137)

6. WORK IN PROGRESS

	<u>1994</u> £	<u>1993</u> £
Work in progress as valued	2457290	2382946
Less: amounts invoiced in respect of completed sales	2366743	2229743
	-----	-----
	£90547	£153203
	=====	=====

MALTING HOMES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1994 (continued)7. DEBTORS

	<u>1994</u>	<u>1993</u>
	£	£
Other debtors	2275	5157
Owed by associated undertaking	5000	5000
	----	----
	£7275	£10157
	=====	=====

8. CREDITORS: Amounts falling due within one year

	<u>1994</u>	<u>1993</u>
	£	£
Bank overdraft	115890	209727
Trade creditors	500	603
Loan from holding company	4091	2781
Owed to associated undertaking	5000	5000
Accruals	9153	5316
	-----	-----
	£134634	£223427
	=====	=====

9. CALLED UP SHARE CAPITAL

Authorised, allotted
called up, issued and
fully paid
1994 & 1993
 £

Ordinary shares of £1 each	100
	===

10. ULTIMATE HOLDING COMPANY

Blackdown Estates Limited, a company incorporated in the United Kingdom, is the ultimate holding company.

11. SECURITIES

The bank overdraft and indemnities are secured by a fixed charge on property and by a floating charge on other assets of the company.

12. FINANCIAL COMMITMENTS

At 31 December 1994 and 1993 no capital commitments were contracted for, neither were there commitments authorised but not contracted for.

13. CONTINGENT LIABILITIES

At 31 December 1994 the company had no contingent liabilities (1993: £Nil).

MALTING HOMES LIMITEDNOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1994 (continued)14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>1994</u>	<u>1993</u>
	£	£
Profit for the financial year	23255	41096
Opening shareholders' fund (deficit)	(60067)	(101163)
	-----	-----
Closing shareholders' funds (deficit)	£(36812)	£(60067)
	=====	=====