

# **Ward Homes Anglia Limited**

## **Directors' report and financial statements**

**31st October 1997**

**Registered Number: 2276750**



# Ward Homes Anglia Limited

## Directors' report and financial statements

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# Ward Homes Anglia Limited

## Directors' report

The Directors present their annual report and the audited financial statements for the year ended 31st October 1997.

### Principal activities

The principal activity of the company is house building and related activities.

### Business review

The results achieved for the year were as follows:

	1997 £	1996 £
Turnover	-	-
Profit on ordinary activities before taxation	75,411	646,192
Taxation	17,437	36,333
Profit for the financial year	92,848	682,525

### Proposed dividend and transfer to reserves

The Directors do not recommend the payment of a dividend (1996: Nil).

The profit for the year to be transferred to reserves is £92,848(1996: £682,525 profit).

# **Ward Homes Anglia Limited**

## **Directors' report**

### **Directors and directors' interests**

The directors who held office during the year were as follows:

D.J. Ward	(Chairman)
G.A. Wall	

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company.

Mr D.J. Ward and Mr G.A. Wall are Directors of the Company's ultimate holding company, Ward Holdings PLC and, accordingly, particulars of their interests in the shares of that Company are included in the Directors' Report of Ward Holdings PLC.

### **Employees**

The company gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitude and abilities.

It is the directors' policy to ensure that continued employment is offered to employees who become temporarily or permanently disabled.

The training, career development and promotion of disabled persons employed by the company is an integral part of the personnel policy applicable to all employees.

The company recognises the benefit of keeping employees informed of the progress of the business and of involving them in the company's performance. During the year, information regarding financial and economic factors affecting the performance of the company and other matters of concern to employees was regularly made available.

# Ward Homes Anglia Limited

## Directors' report *(continued)*

### Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG Audit Plc as Auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board



G.A. Wall  
Secretary

# Ward Homes Anglia Limited

## Statement of 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 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

Barham Court

Teston

Maidstone

Kent

ME18 5BZ

## **Report of the auditors to the members of Ward Homes Anglia Limited**

We have audited the financial statements on pages 6 to 11.

### **Respective responsibilities of directors and auditors**

As described on page 4 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 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 October 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'KPMG Audit Plc', written over a horizontal line.

KPMG Audit Plc  
*Chartered Accountants*  
*Registered Auditor*

12 February 1998

# Ward Homes Anglia Limited

## Profit and loss account

*for the year ended 31 October 1997*

	Note	1997 £	1996 £
Turnover arising from continuing operations	1	-	-
Cost of sales		(52,595)	29,111
Exceptional item	2	<u>170,000</u>	<u>667,298</u>
Gross profit		117,405	696,409
Administrative expenses		<u>9,322</u>	<u>(10,908)</u>
Operating profit arising from continuing operations	2-4	126,727	685,501
Interest payable and similar charges	5	<u>(51,316)</u>	<u>(39,309)</u>
Profit on ordinary activities before taxation		75,411	646,192
Tax on profit on ordinary activities	6	<u>17,437</u>	<u>36,333</u>
Profit for the financial year		92,848	682,525
Retained deficit brought forward		<u>(711,027)</u>	<u>(1,393,552)</u>
Retained deficit carried forward		<u>(618,179)</u>	<u>(711,027)</u>

The company has no recognised gains or losses in either 1997 or 1996 other than those reported in the Profit and Loss Account above.

The notes on pages 8 - 11 form part of these financial statements.



# Ward Homes Anglia Limited

## Balance Sheet

as at 31 October 1997

	Note	1997	1996
		£	£
<b>Current assets</b>			
Stocks	7	180,001	108,519
Debtors	8	64,813	44,747
		<u>244,814</u>	<u>153,266</u>
<b>Creditors: amount falling due within one year</b>	9	<u>(862,894)</u>	<u>(864,194)</u>
<b>Net current liabilities</b>		<u>(618,080)</u>	<u>(710,928)</u>
<b>Net liabilities</b>		<u>(618,080)</u>	<u>(710,928)</u>
<b>Capital and reserves</b>			
Called up share capital	10	99	99
Profit and loss account		<u>(618,179)</u>	<u>(711,027)</u>
<b>Shareholders' funds</b>	11	<u>(618,080)</u>	<u>(710,928)</u>

These financial statements were approved by the Board of Directors on 12th February 1998 and were signed on its behalf by:



D.J. Ward

The notes on pages 8 - 11 form part of these financial statements.

# Ward Homes Anglia Limited

## Notes

*(forming part of the financial statements)*

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules and on a going concern basis which assumes the company will continue to trade. The validity of this assumption is dependent upon the profitability of the company's future trading.

The directors are currently seeking future development opportunities to enable the company to continue operating as a going concern.

If the company was unable to continue to trade, adjustments would have to be made to reduce the value of assets to their recoverable amount, to provide for any further liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

Under Financial Reporting Standard 1 (revised), the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking.

#### *Pensions costs*

Contributions to defined benefit pension schemes are charged to the profit and loss account on a basis that spreads the expected cost of providing pensions over the remaining service lives of current employees in the schemes. Contributions to defined contribution schemes are charged directly to the profit and loss account.

#### *Stocks*

Stocks and work in progress are stated at the lower of cost and estimated net realisable value. In respect of work in progress, costs include labour, materials and relevant overheads. Land held for development is valued on a site by site basis at the lower of cost and net realisable value.

#### *Deferred taxation*

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

#### *Turnover*

Turnover represents the amounts receivable on the sale of houses and land.

All turnover arose within the United Kingdom

#### *Basis of taking credit for sales.*

Credit is taken for profit on house sales on the date at which the legal title to the property is transferred.

# Ward Homes Anglia Limited

## Notes (Continued)

### 2. Profit on ordinary activities before taxation.

	1997 £	1996 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration:		
Audit	525	-
After crediting:		
Exceptional items: Write back of land	170,000	-
Exceptional items: Release of provision on Joint Venture	-	667,298

### 3. Remuneration of Directors

The Directors did not receive any remuneration either as Directors or executives during the year (1996: £Nil).

### 4. Staff numbers and costs

The average number of persons employed by the company (including Directors) during the year, analysed by category, was as follows:

	Number of employees	
	1997	1996
Management	2	2

The aggregate payroll costs of these persons were £Nil (1996: £Nil).

### 5. Interest payable and similar charges

	1997 £	1996 £
On bank loans and overdrafts.	51,316	39,309

### 6. Taxation

	1997 £	1996 £
UK Corporation Tax at 31.8% (1996: 33 %)	-	(36,333)
Adjustment in respect of prior years	(17,437)	-
	<u>(17,437)</u>	<u>(36,333)</u>

# Ward Homes Anglia Limited

## Notes (continued)

### 7. Stocks

	1997 £	1996 £
Work in progress	-	98,518
Land held for development	180,001	10,001
	<u>180,001</u>	<u>108,519</u>

### 8. Debtors

	1997 £	1996 £
Amounts owed by Group undertakings	64,813	44,747
	<u>64,813</u>	<u>44,747</u>

### 9. Creditors: amounts falling due within one year

	1997 £	1996 £
Bank Overdraft	664,885	643,739
Trade Creditors	50,548	50,547
Amounts owed to Group undertakings	142,099	-
Other creditors including taxation and social security	-	759
	<u>5,362</u>	<u>759</u>
Accruals and deferred income	862,894	169,149
	<u>862,894</u>	<u>864,194</u>

# Ward Homes Anglia Limited

## Notes (continued)

### 10. Share Capital

	1997 £	1996 £
<i>Authorised</i>		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
Ordinary shares of £1 each	<u>99</u>	<u>99</u>

### 11. Reconciliation of movements in shareholders' funds

	1997 £	1996 £
Profit for the financial year	92,848	682,525
Opening shareholders' funds	<u>(710,928)</u>	<u>(1,393,453)</u>
Closing shareholders' funds	<u>(618,080)</u>	<u>(710,928)</u>

### 12. Contingent liabilities

The company is party to a multilateral guarantee secured by fixed and floating charges in respect of amounts due on bank overdrafts by the Ward Holdings PLC Group of Companies up to a maximum of £2,000,000 of which £Nil (1996: £328,815) was outstanding as at 31 October 1997.

### 13. Ultimate Parent Company

The Company is a subsidiary undertaking of Ward Holdings PLC registered in England and Wales, the head of the only group for which group financial statements are drawn up and of which the company is a member.

Copies of the Group financial statements can be obtained from 2 Ash Tree Lane, Chatham, Kent.

### 14. Statement on Related Party Transactions

The Company is exempt from the requirements of the Financial Reporting Standard 8 ("Related Party Disclosures") insofar as it refers to transactions with fellow Group companies, as it is a wholly-owned subsidiary of Ward Holdings PLC, whose accounts are publicly available.