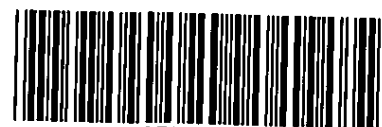


R

Registration number 2646033

Walker Residential Limited
Directors' report and financial statements
for the year ended 31 March 2007

WEDNESDAY



ARI2WRJR
A27 25/07/2007 246
COMPANIES HOUSE

Walker Residential Limited

Company information

Directors	H C Boucher J R C Boucher P D Norman N C Camp
Secretary	P D Norman
Company number	2646033
Registered office	152 Staplehurst Road Sittingbourne Kent ME10 1XS
Auditors	West Wake Price & Company 4 Chiswell Street London EC1Y 4UP
Business address	152 Staplehurst Road Sittingbourne Kent ME10 1XS
Bankers	National Westminster Bank PLC 3 High Street Maidstone Kent ME14 1XU
Solicitors	Brachers Sommerfield House 59 London Road Maidstone Kent ME16 8JH

Walker Residential Limited

Contents

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 13

Walker Residential Limited
Directors' report
for the year ended 31 March 2007

The directors present their report and the financial statements for the year ended 31 March 2007

Principal activity and review of the business

The principal activity of the company during the year was house building

Although there were no sales that were legally completed during the year the company had exchanged contracts for sale on one residential unit that completed on 16 May 2007 which, together with other anticipated sales, will substantially increase turnover in the year ending 31 March 2008 and return the company to profitability

Results and dividends

Directors and their interests

The directors who served during the year and their interests in the company are as stated below

	Class of share	31/03/07	01/04/06
H C Boucher	Ordinary shares	1,225,000	1,225,000
J R C Boucher	Ordinary shares	1,275,000	1,275,000
P D Norman	Ordinary shares	-	-
N C Camp	Ordinary shares	-	-

Directors' responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to

- select suitable accounting policies and 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 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.

In so far as the directors are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Walker Residential Limited

**Directors' report
for the year ended 31 March 2007**

continued

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that West Wake Price & Company be reappointed as auditors of the company will be put to the Annual General Meeting

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the Board on 20 July 2007 and signed on its behalf by

P D Norman
Secretary

A handwritten signature in black ink, appearing to be 'P D Norman', written over a horizontal line.

Independent auditors' report to the shareholders of
Walker Residential Limited

We have audited the financial statements of Walker Residential Limited for the year ended 31 March 2007 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and the auditors

The directors' 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 directors' 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 directors' 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 directors' remuneration and other transactions is not disclosed.

We read the directors' 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 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.

Independent auditors' report to the shareholders of Walker Residential Limited continued

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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable for Smaller Entities, of the state of the company's affairs as at 31 March 2007 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 Directors' Report is consistent with the financial statements

West Wake Price & Company

West Wake Price & Company
Chartered Accountants and
Registered Auditors
20 July 2007

Walker Residential Limited

**Profit and loss account
for the year ended 31 March 2007**

		2007	2006
	Notes	£	£
Turnover	2	2,934	179,950
Cost of sales		(16,855)	(151,016)
Gross (loss)/profit		(13,921)	28,934
Administrative expenses		(383,713)	(381,809)
Other operating income		9,092	10,120
Operating loss	3	(388,542)	(342,755)
Investment income	4	-	336,282
Other interest receivable and similar income		9,805	28,501
Interest payable and similar charges		-	(4,672)
(Loss)/profit on ordinary activities before taxation		(378,737)	17,356
Tax on (loss)/profit on ordinary activities 7		344,819	-
(Loss)/profit on ordinary activities after taxation		(33,918)	17,356
(Loss)/retained profit for the year		(33,918)	17,356
Accumulated loss brought forward		(615,029)	(632,385)
Accumulated loss carried forward		(648,947)	(615,029)

The notes on pages 7 to 13 form an integral part of these financial statements.

Walker Residential Limited

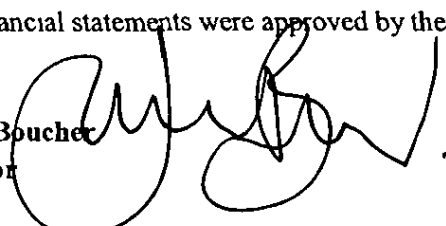
**Balance sheet
as at 31 March 2007**

		2007		2006	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		31,271		56,870
Investments	9		2		2
			<u>31,273</u>		<u>56,872</u>
Current assets					
Stocks		1,462,067		505,266	
Debtors	10	1,532,560		1,014,083	
Cash at bank and in hand		8,510		581,500	
		<u>3,003,137</u>		<u>2,100,849</u>	
Creditors: amounts falling due within one year	11	<u>(763,357)</u>		<u>(92,750)</u>	
Net current assets			<u>2,239,780</u>		<u>2,008,099</u>
Total assets less current liabilities			2,271,053		2,064,971
Creditors: amounts falling due after more than one year	12		<u>(420,000)</u>		<u>(180,000)</u>
Net assets			<u>1,851,053</u>		<u>1,884,971</u>
Capital and reserves					
Called up share capital	15		2,500,000		2,500,000
Profit and loss account			<u>(648,947)</u>		<u>(615,029)</u>
Shareholders' funds			<u>1,851,053</u>		<u>1,884,971</u>

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective January 2005) relating to small companies

The financial statements were approved by the Board on 20 July 2007 and signed on its behalf by

J R C Boucher
Director



The notes on pages 7 to 13 form an integral part of these financial statements.

Walker Residential Limited

Notes to the financial statements for the year ended 31 March 2007

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

1.2. Turnover and profits

Turnover usually represents the value of residential units developed. As there were no sales that were legally completed during the year the turnover represents sundry other property income.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Plant and machinery	-	15% - 50%
---------------------	---	-----------

1.4. Investments

Fixed asset investments are stated at cost less provision for permanent diminution in value.

1.5. Properties in the course of development

Properties held in the course of development have been valued at the lower of cost and net realisable value. Properties held in the course of development represent the direct cost of land, materials and professional charges applicable to unsold units. These costs have been carried as the total projected realisable value of each asset site exceeds the total expected direct cost. Estimates have been made by the directors for these projections of realisable value based upon information currently available and market conditions currently prevailing.

1.6. Pensions

Contributions to a stakeholder pension scheme are charged to the profit and loss account in the period to which they relate.

1.7. 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. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax assets are recognised only to the extent that the directors consider 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.

Walker Residential Limited

Notes to the financial statements for the year ended 31 March 2007

continued

1.8. Group accounts

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts

1.9. Financial instruments

Financial instruments are classified and accounted for, according to the substance of contractual arrangement, as either financial assets, financial liabilities or equity instruments, as defined in FRS 25, Financial Instruments Disclosure and Presentation. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. Turnover

The total turnover of the company for the year has been derived from sundry other property income wholly undertaken in the UK

3. Operating loss	2007 £	2006 £
Operating loss is stated after charging		
Depreciation and other amounts written off tangible assets	26,674	23,854
Auditors' remuneration	6,500	10,000
	<u> </u>	<u> </u>
and after crediting.		
Profit on disposal of tangible fixed assets	-	5,237
	<u> </u>	<u> </u>

4. Income from investments	2007 £	2006 £
Profit on disposal of investments	-	336,282
	<u> </u>	<u> </u>

5. Directors' emoluments	2007 £	2006 £
Remuneration and other benefits	156,465	155,766
	<u> </u>	<u> </u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	2	2

Walker Residential Limited

Notes to the financial statements for the year ended 31 March 2007

continued

6. Pension costs

The company contributes to a defined contribution stakeholder pension scheme whose assets are held separately from those of the company in an independently administered fund. The pension charge represents contributions due from the company and amounted to £20,199 (2006 - £7,987)

7. Tax on (loss)/profit on ordinary activities

Analysis of charge in period	2007 £	2006 £
Total current tax charge	-	-
Deferred tax		
Timing differences, origination and reversal	(344,819)	-
Total deferred tax	(344,819)	-
Tax on (loss)/profit on ordinary activities	(344,819)	-

8. Tangible fixed assets

	Plant and machinery £	Total £
Cost		
At 1 April 2006	120,938	120,938
Additions	1,075	1,075
Disposals	(15,264)	(15,264)
At 31 March 2007	106,749	106,749
Depreciation		
At 1 April 2006	64,068	64,068
On disposals	(15,264)	(15,264)
Charge for the year	26,674	26,674
At 31 March 2007	75,478	75,478
Net book values		
At 31 March 2007	31,271	31,271
At 31 March 2006	56,870	56,870

Walker Residential Limited

**Notes to the financial statements
for the year ended 31 March 2007**

continued

9. Fixed asset investments	Subsidiary undertakings shares £	Total £
Cost		
At 1 April 2006		
At 31 March 2007	2	2
Net book values		
At 31 March 2007	2	2
At 31 March 2006	2	2

9.1. Holdings of 20% or more

The company holds 20% or more of the share capital of the following companies

Company	Country of registration or incorporation	Nature of business	Shares held class	Proportion of shares held
Subsidiary undertaking				
Walker Commercial Limited	England	Trading	Ordinary	100%
Walker Residential (Goodnestone) Limited	England	Trading	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	Capital and reserves £	Profit for the year £
Walker Commercial Limited	1	-
Walker Residential (Goodnestone) Limited	1	-

10. Debtors	2007 £	2006 £
Amounts owed by group undertakings	1,161,656	918,820
Other debtors	24,406	84,870
Prepayments and accrued income	1,679	10,393
Deferred tax (Note 14)	344,819	-
	<u>1,532,560</u>	<u>1,014,083</u>

Walker Residential Limited

**Notes to the financial statements
for the year ended 31 March 2007**

continued

Amounts falling due after more than one year and included in debtors are
Deferred tax (Note 14)

	344,819	-
--	---------	---

**11. Creditors: amounts falling due
within one year**

	2007	2006
	£	£

Trade creditors	7,392	10,441
Amounts owed to connected companies	490,000	-
Other taxes and social security costs	5,009	5,603
Other creditors	155,857	56,057
Accruals and deferred income	105,099	20,649
	763,357	92,750

**12. Creditors: amounts falling due
after more than one year**

	2007	2006
	£	£

Bank loan	420,000	180,000
	420,000	180,000

The bank loans were secured by a first legal mortgage over the property of the company

13. Provisions for liabilities

	Deferred taxation (Note 14) £	Total £
Movements in the year	344,819	344,819
At 31 March 2007	344,819	344,819

Walker Residential Limited

Notes to the financial statements
for the year ended 31 March 2007

continued

14. Provision for deferred taxation	2007	2006
	£	£
Accelerated capital allowances	(13,967)	(11,915)
Disallowable provisions - remedial work	(9,120)	(16,710)
Tax losses carried forward	(321,732)	(203,379)
Provision for deferred tax	<u>(344,819)</u>	<u>(232,004)</u>
Provision at 1 April 2006	-	
Deferred tax credit in profit and loss account	<u>(344,819)</u>	
Provision at 31 March 2007	<u>(344,819)</u>	

The deferred tax asset of £344,819 is included in the financial statements within other debtors (Note10) Full provision of the deferred tax asset has been made as the directors now consider that the company will generate sufficient profits to utilise this level of losses in the foreseeable future

15. Share capital	2007	2006
	£	£
Authorised		
5,000,000 Ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
Allotted, called up and fully paid		
2,500,000 Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>
Equity Shares		
2,500,000 Ordinary shares of £1 each	<u>2,500,000</u>	<u>2,500,000</u>

16. Controlling interest

Throughout the year the company was under the control of J R C Boucher who is personally interested in 51% of the company's issued share capital

Walker Residential Limited

Notes to the financial statements
for the year ended 31 March 2007

continued

17. Related party transactions

Transactions during the year, with related parties were as follows -

	2007	2006
	Loan balance at year end due from/(to)	
Related Party	£	£
EPS Logistics Technology Limited - Under common control (This loan was repaid in full on 19 June 2007)	(490,000)	-
Walker Commercial Limited - 100% subsidiary	995,614	808,820
Walker Residential (Goodnestone) Limited - 100% subsidiary	166,042	109,999
	<u>671,656</u>	<u>918,819</u>
	2007	2006
Charges from related party:	£	£
EPS Logistics Technology Limited - Under common control		
Management expenses	35,520	34,580
Rent payable	16,065	20,524
Loan interest receivable	4,382	-
	<u>55,967</u>	<u>55,104</u>