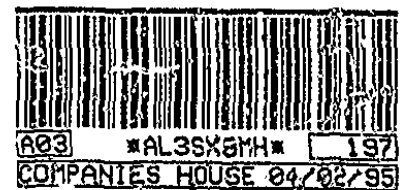


DEAN & BOWES (HOMES) LIMITED  
(Registered Number 2806007)

DIRECTORS' REPORT AND ACCOUNTS

53 WEEKS TO 6 JANUARY 1995



## **DEAN & BOWES (HOMES) LIMITED**

### **DIRECTORS' REPORT FOR THE 53 WEEKS ENDED 6 JANUARY 1995**

#### **PRINCIPAL ACTIVITY**

The principal activity of the company during the period was that of a residential housing developer.

#### **REVIEW OF THE BUSINESS**

The trading results are summarised below. The year under review has seen a significant increase in the company's activities, with two further developments completed, and four others planned to start in 1995. It is evident that land prices are once again starting to rise, and in order that the company may raise additional equity to fund purchases of landbank, we intend seeking permission to deal under Rule 4.2 of the Stock Exchange to encourage outside shareholders. The company will convert to a plc simultaneously.

The prospects for the coming year are encouraging.

#### **RESULTS AND DIVIDENDS**

The profit on ordinary activities after taxation was £49,917 (1993: £5,009). The directors do not propose any dividend to be paid (1993: £5,000).

#### **FIXED ASSETS**

An analysis of changes in fixed assets is set out in note 5.

#### **DIRECTORS**

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

S Dean - Chairman  
P Holmes

The interests of the directors in the share capital of the company as at 6 January 1995 are as follows:

	<u>Number</u>
S Dean	999
S Dean and P Holmes jointly	1

On 27 August 1994 9 of the 10 ordinary shares owned by Dean & Bowes Limited were transferred to Mr S Dean. The remaining one share was transferred to Messrs S Dean and P Holmes jointly on the same date.

## DEAN & BOWES (HOMES) LIMITED

### DIRECTORS' REPORT FOR THE 53 WEEKS ENDED 6 JANUARY 1995

#### 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 judgments 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 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

Price Waterhouse have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By Order of the Board



P HOLMES  
Secretary  
30 January 1995

## Price Waterhouse



### AUDITORS' REPORT TO THE MEMBERS OF DEAN & BOWES (HOMES) LIMITED

We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

#### Respective responsibilities of directors and auditors

As described on page 2 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 6 January 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*Price Waterhouse*

Price Waterhouse  
Chartered Accountants  
and Registered Auditors

30 January 1995

**DEAN & BOWES (HOMES) LIMITED****PROFIT AND LOSS ACCOUNT  
FOR THE 53 WEEKS ENDED 6 JANUARY 1995**

	<u>53 weeks to 6 January 1995</u> £	<u>Six months to 31 December 1993</u> £
<b>TURNOVER</b>	781,047	76,920
Cost of sales	<u>(702,432)</u>	<u>(67,920)</u>
<b>GROSS PROFIT</b>	78,615	9,000
Administrative expenses	<u>(10,084)</u>	<u>(2,505)</u>
<b>OPERATING PROFIT (Note 2)</b>	68,531	6,495
Interest receivable and similar income	-	50
Interest payable and similar charges (Note 3)	<u>(1,664)</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	66,867	6,545
Taxation (Note 4)	<u>(16,950)</u>	<u>(1,536)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	49,917	5,009
Dividends	<u>-</u>	<u>(5,000)</u>
<b>AMOUNT TRANSFERRED TO RESERVES (Note 15)</b>	<u>49,917</u>	<u>9</u>

All recognised gains and losses are included within the profit and loss account. There are no differences between the profits disclosed in the profit and loss account and the result on an unmodified historical cost basis.

All activities of the company are continuing.

The notes on pages 6 to 11 form part of these accounts.

**DEAN & BOWES (HOMES) LIMITED****BALANCE SHEET - 6 JANUARY 1995**

	<u>6 January 1995</u> £	<u>31 December 1993</u> £
<b>FIXED ASSETS</b>		
Tangible fixed assets (note 5)	14,356	-
<b>CURRENT ASSETS</b>		
Stocks and work in progress (Note 6)	285,438	89,982
Debtors (Note 7)	170,232	219,225
Cash at bank and in hand	<u>210,335</u>	<u>-</u>
	666,005	309,207
<b>CREDITORS - Amounts falling due within one year (Note 8)</b>	<u>(617,468)</u>	<u>(304,198)</u>
<b>NET CURRENT ASSETS</b>	<u>48,537</u>	<u>5,009</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	62,893	5,009
<b>CREDITORS - Amounts falling due after one year (Note 9)</b>	(7,117)	-
<b>PROVISION FOR LIABILITIES AND CHARGES (Note 11)</b>	<u>(850)</u>	<u>-</u>
	54,926	5,009
<b>CAPITAL AND RESERVES</b>		
Called up share capital (Note 12)	1,000	1,000
Share premium account (Note 13)	4,000	4,000
Profit and loss account (Note 15)	<u>49,926</u>	<u>9</u>
	54,926	5,009

APPROVED BY THE BOARD ON  
30 January 1995

S Dean  
DIRECTOR

The notes on pages 6 to 11 form part of these accounts.

## **DEAN & BOWES (HOMES) LIMITED**

### **NOTES TO THE ACCOUNTS - 6 JANUARY 1995**

#### **1 ACCOUNTING POLICIES**

The following accounting policies have been adopted by the company.

**(a) Accounting Convention**

The accounts have been prepared in accordance with applicable accounting standards under the historical cost convention.

**(b) Turnover**

Turnover represents the amount of goods sold, stated net of value added tax. Turnover is attributable to the principal activity of the company and arises in the UK.

**(c) Stocks**

Stocks are stated at the lower of cost and net realisable value.

**(d) Cash Flow**

The company has taken advantage of the exemption not to prepare a cash flow statement as it is classed as a small company under section 246 of the Companies Act 1985.

**(e) Depreciation**

Depreciation has been provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Motor vehicles	- 25% pa on the straight line basis
Fixtures and fittings	- 25% pa on the straight line basis

**(f) Leasing and hire purchase**

Tangible fixed assets acquired under finance leases or hire purchase contracts are capitalised and depreciated in the same manner as other tangible fixed assets. The related obligations, net of future finance charges are included in creditors.

**(g) Deferred taxation**

Deferred taxation is provided where in the opinion of the directors there is reasonable evidence that such taxation will become payable in the foreseeable future.

# DEAN & BOWES (HOMES) LIMITED

## NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

### 2 OPERATING PROFIT

Operating profit is stated after charging:

	53 weeks to 6 January <u>1995</u> £	Six months to 31 December <u>1993</u> £
Depreciation	344	-
Auditors' remuneration	3,500	1,000
Directors' remuneration	2,000	-
	<u>          </u>	<u>          </u>

The company has no employees, other than the directors.

### 3 INTEREST PAYABLE

	53 weeks to 6 January <u>1995</u> £	Six months to 31 December <u>1993</u> £
Hire purchase	60	-
Bank overdraft	1,604	-
	1,664	-
	<u>          </u>	<u>          </u>

### 4 TAXATION

	53 weeks to 6 January <u>1995</u> £	Six months to 31 December <u>1993</u> £
Corporation tax charge at 25% based on the result for the period	16,000	1,536
Adjustment to prior period	100	-
Deferred tax	850	-
	<u>          </u>	<u>          </u>
	16,950	1,536
	<u>          </u>	<u>          </u>



# DEAN & BOWES (HOMES) LIMITED

## NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

### 5 FIXED ASSETS

	<u>Motor vehicles</u> £	<u>Fixtures and fittings</u> £	<u>Total</u> £
Cost			
At 1 January 1994	-	-	-
Additions	<u>12,300</u>	<u>2,400</u>	<u>14,700</u>
At 6 January 1995	<u>12,300</u>	<u>2,400</u>	<u>14,700</u>
Depreciation			
At 1 January 1994	-	-	-
Charge for the year	<u>294</u>	<u>50</u>	<u>344</u>
At 6 January 1995	<u>294</u>	<u>50</u>	<u>344</u>
Net book value			
At 6 January 1995	<u>12,006</u>	<u>2,350</u>	<u>14,356</u>
At 31 December 1993	<u>-</u>	<u>-</u>	<u>-</u>

Included within the cost of motor vehicles held at 6 January 1995 was £10,500 (1993: £Nil) in respect of assets held under finance leases. The depreciation charged was £219.

### 6 STOCKS AND WORK IN PROGRESS

	<u>6 January 1995</u> £	<u>31 December 1993</u> £
Land	-	89,982
Work in progress	120,575	-
Finished stocks	<u>164,863</u>	<u>-</u>
	<u>285,438</u>	<u>89,982</u>

Construction costs are collated and recharged to this company by Dean & Bowes (Contracts) Limited, a company in which Mr S Dean has an interest.

# DEAN & BOWES (HOMES) LIMITED

## NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

### 7 DEBTORS

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Trade debtors	165,000	69,225
Other debtors	<u>5,232</u>	<u>150,000</u>
	170,232	219,225
	<u>          </u>	<u>          </u>

### 8 CREDITORS - Amounts falling due within one year

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Other loans	468,500	189,500
Bank overdraft	-	45,490
Dividends	-	5,000
Corporation tax	16,000	1,536
Other creditors	130,575	62,672
Hire purchase (Note 10)	<u>2,393</u>	<u>-</u>
	617,468	304,198
	<u>          </u>	<u>          </u>

The loan of £468,500 as at 6 January 1995 (1993: £189,500) is from Mr S Dean who is a director of the company. The loan is interest free and does not have any fixed repayment terms.

### 9 CREDITORS - Amounts falling due after one year

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Hire purchase (Note 10)	<u>7,117</u>	<u>-</u>

### 10 HIRE PURCHASE - AMOUNTS REPAYABLE

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Within one year	3,114	-
Between one and five years	9,224	-
Less interest and charges	<u>(2,828)</u>	<u>-</u>
	9,510	-
	<u>          </u>	<u>          </u>

# DEAN & BOWES (HOMES) LIMITED

## NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

### 10 HIRE PURCHASE - AMOUNTS REPAYABLE (CONTINUED)

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Interest and charges repayable		
Within one year	721	-
Between one and five years	<u>2,107</u>	<u>-</u>
	2,828	-
	<u>      </u>	<u>      </u>

### 11 DEFERRED TAX

The potential and amount provided for deferred tax at 25% is as follows:

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Accelerated capital allowances	850	-
	<u>      </u>	<u>      </u>

### 12 SHARE CAPITAL

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Authorised, allotted and fully paid:		
Ordinary shares of £1 each	1,000	1,000
	<u>      </u>	<u>      </u>

### 13 SHARE PREMIUM

The share premium arose on the issue of the ordinary shares.

### 14 RECONCILIATION OF SHAREHOLDERS FUNDS

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Opening shareholders funds	5,009	-
Ordinary shares issued during the period	-	5,000
Profit for the period	49,917	5,009
Dividends	<u>-</u>	<u>(5,000)</u>
Closing shareholders funds	<u>54,926</u>	<u>5,009</u>

# DEAN & BOWES (HOMES) LIMITED

## NOTES TO THE ACCOUNTS - 6 JANUARY 1995 (CONTINUED)

### 15 PROFIT AND LOSS ACCOUNT

	<u>6 January 1995</u>	<u>31 December 1993</u>
	£	£
Opening profit and loss account reserves	9	-
Retained profit for the period	<u>49,917</u>	<u>9</u>
Closing profit and loss account reserves	<u>49,926</u>	<u>9</u>

### 16 SUBSEQUENT EVENTS

On 19 January 1995 the company acquired a subsidiary, TayVin 9 Limited which changed its name to Dean Homes Limited on 20 January 1995. The company was incorporated on 14 October 1994 and has not traded since then.