



ROXYLIGHT HOMES LIMITED

**CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED

31 DECEMBER 2000

ROXYLIGHT HOMES LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

Company registration number: 2938389

Registered office: The Clock House
Frogmoor
High Wycombe
Buckinghamshire
HP13 5DL

Directors: J P Spencer
J L Miller
D C Miller

Secretary: A Lakhani

Bankers: National Westminster Bank plc
Chilterns Customer Service Centre
PO Box 315
High Wycombe
Buckinghamshire
HP11 2EU

Solicitors: Jeffrey Green Russell
Apollo House
56 New Bond Street
London
W1Y 0SX

Auditors: Grant Thornton
Registered Auditors
Chartered Accountants
1 Westminster Way
Oxford
OX2 0PZ

ROXYLIGHT HOMES LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

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ROXYLIGHT HOMES LIMITED

REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31 December 2000.

Principal activity

The group is principally engaged in one activity, namely building and estate management.

Business review

The group's profit for the year was £768,000 (1999: £1,841,000). Preference dividends of £50,000, and ordinary dividend of £16,000 (paid in a prior year and declared in the current year) (1999: £nil preference dividends, and £50,000 ordinary dividends) have been deducted. Unpaid preference dividends have been added back in reserves.

Directors

The present membership of the Board is J L Miller, J P Spencer, and D C L Miller, all of whom served throughout the year. H A Gwyn Jones resigned 25 June 2001.

The directors and their families had no interest in the shares of the company as at 31 December 2000 and 1 January 2000.

The interests of the directors in the ultimate parent undertaking is shown in the financial statements of that company.

Directors' responsibilities for the financial statements

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 the group and of the profit or loss of the group 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 keeping proper accounting records, for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

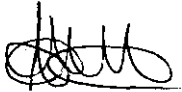
ROXYLIGHT HOMES LIMITED

REPORT OF THE DIRECTORS

Auditors

Grant Thornton offer themselves for reappointment as auditors in accordance with Section 385 of the Companies Act 1985.

BY ORDER OF THE BOARD



A Lakhani
Secretary

12 October 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF
ROXYLIGHT HOMES LIMITED**

We have audited the financial statements on pages 4 to 20 which have been prepared under the accounting policies set out on pages 4 and 5.

Respective responsibilities of the directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

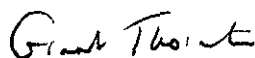
Basis of opinion

We conducted our audit in accordance with United Kingdom 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 group'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 affairs of the company and the group at 31 December 2000 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**GRANT THORNTON
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS**

OXFORD

19 October 2001

ROXYLIGHT HOMES LIMITED

PRINCIPAL ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared in accordance with applicable accounting standards and under the historical costs convention, except that a freehold property is shown at its revalued amount.

The principal accounting policies of the group have remained unchanged from the previous year and are set out below.

BASIS OF CONSOLIDATION

These group financial statements consolidate those of the company and of its subsidiary undertakings (see note 8) drawn up to 31 December 2000. The results of subsidiaries acquired or disposed of during the year have been included from the date of acquisition or to the date of disposal. Profits or losses on intragroup transactions are eliminated in full. On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition at that time.

TURNOVER

Turnover is the total amount receivable by the group in the ordinary course of business with outside customers for the sale of houses and land.

Sales of houses are recognised when a legally binding unconditional contract has been exchanged and construction is substantially complete.

DEPRECIATION

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives as follows:

The rates generally applicable are:

Freehold buildings	50 years
Short leasehold improvements	period of the lease
Plant and equipment	3 – 5 years

STOCKS AND WORK IN PROGRESS

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

DEFINED CONTRIBUTION PENSION SCHEME

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

LEASED ASSETS

Assets held under finance leases and hire purchase contracts are capitalized in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

ROXYLIGHT HOMES LIMITED

PRINCIPAL ACCOUNTING POLICIES

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

GOODWILL

Goodwill arising from the acquisition of subsidiary undertakings, representing the difference between the purchase consideration and fair value of net assets acquired, has, for acquisitions made after 31 December 1997, been capitalized in accordance with the requirements of Financial Reporting Standard number 10 (FRS 10). Goodwill is amortised on a straight-line basis over its estimated useful economic life. Purchased goodwill accounted for in accounting periods ending before 23 December 1998, the implementation date of FRS 10, was eliminated from the financial statements by immediate write-off on acquisition against reserves. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates.

DEFERRED TAXATION

Deferred taxation is provided for using the tax rates estimated to arise when the timing differences reverse and is accounted for to the extent that it is probable that a liability or asset will crystallise. Unprovided tax is disclosed as a contingent liability.

ROXYLIGHT HOMES LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £'000	1999 £'000
Turnover	1	20,040	19,103
Cost of sales		(15,999)	(15,141)
Gross profit		4,041	3,962
Administrative expenses			
Operating expenses		(1,757)	(2,294)
Profit arising on acquisition	2	10	1,380
		(1,747)	(914)
Operating profit		2,294	3,048
Loss on disposal of subsidiary undertakings		-	(23)
Net interest payable	3	(835)	(886)
Profit on ordinary activities before taxation	1	1,459	2,139
Tax on ordinary activities	5	(625)	(248)
Profit on ordinary activities after taxation		834	1,891
Dividends	6	(66)	(50)
Retained profit for the year	16	768	1,841

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2000 £'000	1999 £'000
Profit for the financial year	768	1,841
Unrealised surplus on revaluation	-	587
Total profit for the year	768	2,428

The accompanying accounting policies and notes form an integral part of these financial statements.

ROXYLIGHT HOMES LIMITED

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2000

	Note	2000 £'000	1999 £'000
Fixed assets			
Tangible assets	8	1,668	1,691
Investments	9	12	-
		<u>1,680</u>	<u>1,691</u>
Current assets			
Stock	10	12,747	13,074
Debtors	11	5,828	2,804
Cash at bank and in hand		471	1,653
		<u>19,046</u>	<u>17,531</u>
Creditors: amounts falling due within one year	12	<u>(15,825)</u>	<u>(15,064)</u>
Net current assets		<u>3,221</u>	<u>2,467</u>
Total assets less current liabilities		<u>4,901</u>	<u>4,158</u>
Creditors: amounts falling due after more than one year	13	<u>(1,161)</u>	<u>(1,236)</u>
Net assets		<u>3,740</u>	<u>2,922</u>
Capital and reserves			
Called up share capital	15	500	500
Profit and loss account	16	457	(361)
Capital reserve	16	2,196	2,196
Revaluation reserve	16	587	587
		<u>3,740</u>	<u>2,922</u>
Equity shareholders' funds		<u>3,241</u>	<u>2,423</u>
Non-equity interests		<u>499</u>	<u>499</u>
		<u>3,740</u>	<u>2,922</u>

The financial statements were approved by the Board of Directors on 12 October 2001

D C Miller

Director



The accompanying accounting policies and notes form an integral part of these financial statements.

ROXYLIGHT HOMES LIMITED

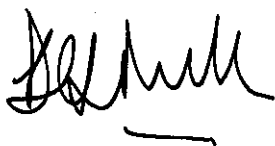
BALANCE SHEET AT 31 DECEMBER 2000

	Note	£'000	2000 £'000	£'000	1999 £'000
Fixed assets					
Investments	9		1,626		1,676
Current assets					
Debtors	11	254		424	
Cash at bank and in hand		7		6	
		261		430	
Creditors: amounts falling due within one year	12	(1,742)		(1,885)	
Net current (liabilities)/assets			(1,481)		(1,455)
Total assets less current liabilities			145		221
Net assets			145		221
Capital and reserves					
Called up share capital	15		500		500
Profit and loss account	16		(355)		(279)
Shareholders' funds			145		221
Equity shareholders' funds			(354)		(278)
Non-equity interests			499		499
			145		221

The financial statements were approved by the Board of Directors on 12 October 2001.

D C Miller

Director



The accompanying accounting policies and notes form an integral part of these financial statements.

ROXYLIGHT HOMES LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2000

	Note	2000 £'000	1999 £'000
Net cash (outflow)/inflow from operating activities	18	(2,364)	753
Returns on investments and servicing of finance			
Interest received		15	10
Interest paid		(847)	(892)
Finance lease interest paid		(3)	(4)
Net cash outflow from returns on investments and servicing of finance		(835)	(886)
Taxation			
Corporation tax		(332)	(352)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(94)	(57)
Income from investments		111	-
Sale of tangible fixed assets		14	-
Net cash (outflow) from capital expenditure and financial investment		31	(57)
Acquisitions and disposals			
Purchase of investments		-	(50)
Net cash assumed on purchase of business		-	634
Net cash inflow/(outflow) from acquisitions and disposals		-	584
Equity dividends paid		(16)	-
Financing			
Receipts from borrowing		7,322	7,751
Repayments of borrowing		(4,971)	(6,826)
Capital element of finance leases		(17)	14
Net cash inflow from financing		2,334	939
(Decrease)/increase in cash in the period		(1,182)	981

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

1. TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The turnover and profit on ordinary activities before taxation is attributable to one activity namely building and estate management. This is carried on in a single geographical market.

The profit on ordinary activities before taxation is stated after:

	The Group	
	2000	1999
	£'000	£'000
Auditors' remuneration:	28	28
Non Audit remuneration:	21	69
Depreciation – assets held under finance leases	11	17
Depreciation – owned assets	83	64
Hire of plant and machinery	107	68
Other operating lease rentals	96	96

2. PROFIT ARISING ON THE ACQUISITION OF SUBSIDIARIES

Effective from 26 September 2000, the Group acquired the ordinary share capital of Tower Gate Homes Limited. The negative goodwill arising on this acquisition has been written back, resulting in a profit on the acquisition of £10,000 (see note 21).

3. NET INTEREST

	The Group	
	2000	1999
	£'000	£'000
On bank loans, overdrafts and other loans repayable within five years, otherwise than by instalments.	847	798
Finance charges in respect of finance leases	3	98
Interest receivable	(15)	(10)

4. DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows:

	The Group	
	2000	1999
	£'000	£'000
Wages and salaries	1,427	1,284
Social security costs	151	129
Other pension costs	49	55

The average number of employees of the company during the period was 37 (1999: 39).

The directors did not receive any emoluments during the year from the group.

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

5. TAXATION

The tax charge is based on the profit for the year and represents:

	The Group	
	2000	1999
	£'000	£'000
Corporation tax at 30% (1999: 30%)	437	481
Adjustments in respect of prior year	145	(190)
Deferred tax	43	(43)
	<u>625</u>	<u>248</u>

6. DIVIDENDS

	The Group	
	2000	1999
	£'000	£'000
Equity dividend (paid in prior year)	16	-
Preference dividend of 10p per share (1999: 10p)	50	50
	<u>66</u>	<u>50</u>

7. LOSS FOR THE FINANCIAL YEAR

The parent company has taken advantage of section 230 of the Companies Act 1985 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a loss of £126,000 (1999: loss £(65,000)) which is dealt with in the financial statements of the company.

ROXYLIGHT HOMES LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2000

8. TANGIBLE FIXED ASSETS

The Group	Land and buildings £'000	Plant and equipment £'000	Total £'000
Cost			
At 1 January 2000	1,550	304	1,854
Additions	-	94	94
Disposals	-	(28)	(28)
At 31 December 2000	1,550	370	1,920
Depreciation			
At 1 January 2000	15	148	163
Provided in the year	20	74	94
Disposals	-	(5)	(5)
At 31 December 2000	35	217	252
Net book amount at 31 December 2000	1,515	153	1,668
Net book amount at 31 December 1999	1,535	156	1,691

The figures stated above include assets held under finance leases and similar hire purchase contracts as follows:

	Plant and equipment £'000
Net book amount at 31 December 2000	23
Net book amount at 31 December 1999	34
Depreciation provided during the year	11

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

The figures stated above for cost of valuation include a valuation as follows:

	Land and buildings £'000
At cost	969
At valuation (March 1999)	581
	<u>1,550</u>

The land and buildings were revalued in March 1999 by the directors. The basis of this valuation was open market value with the surplus being transferred to reserves.

The effect of the revaluation has been to increase the depreciation charge for the year by £17,000 (1999: £15,000).

No provision has been made for deferred taxation in respect of the estimated corporation payable on disposal at this valuation, because, in the opinion of the directors, this asset is unlikely to be disposed of in the foreseeable future.

If land and buildings had not been revalued, it would have been included on the historical basis at the following amounts:

	Land and buildings £'000
At cost	969
Accumulated depreciation	(9)
Net book amount at 31 December 2000	<u>960</u>
Net book amount at 31 December 1999	<u>963</u>

9. FIXED ASSETS INVESTMENTS

The Group	£'000
Cost	
At 1 January 2000	-
Joint venture	12
At 31 December 2000	<u>12</u>

ROXYLIGHT HOMES LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2000**

Company	Shares in group undertakings £'000
Cost	
At 1 January 2000	1,676
Transferred to a group company	(50)
At 31 December 2000	<u>1,626</u>

At 31 December 2000 the company held directly and indirectly 100% of the equity of the following undertakings, all of which were incorporated in England and Wales:

	Class of share capital held	Nature of business held
Saxon Developments Limited	Ordinary Deferred	Housebuilding and estate management
Roxylight Midland Limited (held by Saxon Developments Limited)	Ordinary	Investment company
Roxylight Properties Limited (held by Roxylight Midland Limited and Saxon Developments Limited)	Ordinary 'B'	Property development
Edmond Holdings Limited (held by Roxylight Properties Limited)	Ordinary	Parent Company
Zaburn Properties Limited	Ordinary	Leasing of commercial properties
Saxon Securities Limited (held by Saxon Developments Limited)	Ordinary	Investment company
Tower Gate Homes Limited (held by Saxon Developments Limited)	Ordinary	Property development

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

10. STOCKS

	The Group	
	2000	1999
	£'000	£'000
Land and developments held as trading stock	12,747	13,074

11. DEBTORS

	The Group		The Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Trade debtors	5,009	2,382	-	-
Amounts owed from group undertakings	-	-	254	254
Amounts owed from related parties	414	-	-	-
Other debtors	376	352	-	127
Taxation recoverable	-	58	-	-
Prepayments and accrued income	29	12	-	-
Deferred tax	-	-	-	43
	5,828	2,804	254	424

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2000	1999	2000	1999
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	11,078	8,628	-	-
Trade creditors	1,733	4,324	-	-
Retentions	538	474	-	-
Amounts owed to related parties	252	113	-	-
Amounts owed to group undertakings	-	-	1,737	1,827
Deferred consideration	-	58	-	58
Corporation tax	831	596	-	-
Social security and other taxes	88	52	-	-
Accruals and deferred income	1,295	802	5	-
Amounts due under finance leases	10	17	-	-
	15,825	15,064	1,742	1,885

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	The Group	
	2000	1999
	£'000	£'000
Bank loans	1,150	1,215
Amounts due under finance leases	11	21
	<u>1,161</u>	<u>1,236</u>

Borrowings are repayable as follows:

	The Group	
	2000	1999
	£'000	£'000
Within one year		
Bank and other borrowings	11,078	8,628
Finance leases	10	17
After one and within two years		
Bank and other borrowings	-	65
Finance leases	11	21
After five years		
Bank and other borrowings	1,150	1,150
	<u>12,249</u>	<u>9,881</u>

The bank loans and overdrafts are secured by fixed and floating charges over all the group's assets and by first legal mortgages over certain land held in stock by the group.

14. DEFERRED TAXATION

The deferred taxation included in debtors in the financial statements is set out below. The deferred tax asset is calculated using a rate of 30%.

	The company	
	2000	1999
	£'000	£'000
Company		
Short-term timing differences	-	43

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

15. SHARE CAPITAL

	2000 £'000	1999 £'000
Authorised, allotted, called up and fully paid		
550 'A' ordinary shares of £1 each	1	1
450 'B' ordinary shares of £1 each	-	-
499, 450 cumulative redeemable preference shares of £1 each	499	499
	<u>500</u>	<u>500</u>

PREFERENCE SHARES

The preference shares are non-equity shares which carry an entitlement to a fixed cumulative dividend at the rate of 10% (gross) per annum in priority to any payment of dividends to ordinary shareholders. They may be redeemed at any time between 1 April 1998 and 1 April 2001 at the option of the holder or the company. Holders of preference shares have no voting rights. Preference shareholders have the right on a winding-up to receive, in priority to any other class of shares, an amount equal to the par value per share together with any arrears of dividends.

Total arrears of cumulative preference dividends as at 31 December 2000 were £160,000 (1999: £110,000).

ORDINARY SHARES

The ordinary shares rank pari-passu in all respects. However, where holders of a class of shares are not present at a meeting the voting rights of other holders of the same class of shares shall be increased pro tanto as though all the holders were present. The holders of each class of shares may appoint a maximum of two directors who cannot be removed from office by the holders of the other class of shares.

16. RESERVES

	Revaluation reserve £'000	Capital reserve £'000	Profit and loss account £'000
The Group			
At 1 January 2000	587	2,196	(361)
Retained profit for the year	-	-	768
Unpaid preference dividend	-	-	50
At 31 December 2000	<u>587</u>	<u>2,196</u>	<u>457</u>
The Company			Profit and loss account £'000
At 1 January 2000			(279)
Retained loss			(126)
Unpaid preference dividend			50
At 31 December 2000			<u>(355)</u>

ROXYLIGHT HOMES LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2000

17. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	The Group	
	2000	1999
	£'000	£'000
Profit for the financial year	834	1,891
Dividends	(66)	(50)
Surplus on revaluation of assets	-	587
Unpaid preference dividend	50	50
	<hr/>	<hr/>
Net increase in shareholders' funds	818	2,478
Shareholders' funds at 1 January 2000	2,922	444
Shareholders' funds at 31 December 2000	<hr/> 3,740 <hr/>	<hr/> 2,922 <hr/>

18. NET CASH (OUTFLOW) /INFLOW FROM OPERATING ACTIVITIES

	The Group	
	2000	1999
	£'000	£'000
Operating profit	2,294	3,048
Goodwill written off on acquisition	(10)	(1,380)
Depreciation	94	81
Decrease/(increase) in stock	949	(1,264)
Increase in debtors	(2,901)	(805)
(Decrease)/increase in creditors	(2,799)	1,094
Loss on sale of fixed assets	9	2
Loss on sale of subsidiary	-	(23)
	<hr/>	<hr/>
Net cash outflow from operating activities	<hr/> (2,364) <hr/>	<hr/> 753 <hr/>

19. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	The Group	
	2000	1999
	£'000	£'000
(Decrease)/increase in cash in the year	(1,182)	981
Cash outflow from financing	(2,351)	(925)
Cash inflow/(outflow) from finance leases in the year	17	(14)
	<hr/>	<hr/>
	(3,516)	42
Change in net debt resulting from cash flows, leases, loans, finance leases acquired with subsidiary	(34)	(2,030)
Movement in net debt in the year	<hr/> (3,550) <hr/>	<hr/> (1,988) <hr/>
Net debt at 1 January	(8,228)	(6,240)
Net debt at 31 December	<hr/> (11,778) <hr/>	<hr/> (8,228) <hr/>

ROXYLIGHT HOMES LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2000.

20. ANALYSIS OF CHANGES IN NET DEBT

The Group	At 1 January	Cash flow	Acquisition	At 31
	2000 £'000			December 2000 £'000
Cash in hand at bank	1,653	(1,182)	-	471
Debt	(9,843)	(2,351)	(34)	(12,228)
Finance leases	(38)	17	-	(21)
	<u>(8,228)</u>	<u>(3,516)</u>	<u>(34)</u>	<u>(11,778)</u>

21. ACQUISITION

Effective from 26 September 2000 the group acquired 50,000 ordinary shares in Tower Gate Homes Limited being 100% of its nominal share capital for a consideration of £nil. Goodwill arising on the acquisition has been written back to the profit and loss account (see note 2).

The assets and liabilities acquired were as follows:

	Book value and fair value £'000
Tangible Assets	
Investments	123
Current assets	
Debtors	181
Stocks	622
	<u>926</u>
Creditors	
Bank loans and overdrafts	(34)
Trade creditors	(13)
Accruals and other creditors	(869)
	<u></u>
Net assets	10
Purchased goodwill	(10)
Cash consideration	<u>-</u>

22. CAPITAL COMMITMENTS

Neither the group or the company had any capital commitments at 31 December 2000 or 31 December 1999.

ROXYLIGHT HOMES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

23. CONTINGENT LIABILITIES

The company is party to a multilateral guarantee in respect of its bank borrowings and those of its group undertakings. At 31 December 2000 this amounted to £11,067,000 (1999: £7,751,000).

The group had no other contingent liabilities at 31 December 2000 and 31 December 1999.

24. LEASING COMMITMENTS

The group has operating lease payments amounting to £224,000 (1999: £200,000).

The leases to which these payments relate expire as follows:

	2000		1999	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
In one year or less	-	13	-	13
Between one and five years	-	66	-	42
In five years or more	145	-	145	-
	<u>145</u>	<u>79</u>	<u>145</u>	<u>55</u>

25. PENSIONS

Defined Contribution Scheme

Saxon Developments Limited operates a defined contribution pension scheme for the benefit of its employees. Edmond Holdings Limited operates two defined contribution pension schemes for the benefit of its employees. The assets of the schemes are administered by trustees in funds independent from those companies.

26. ULTIMATE PARENT UNDERTAKING

The ultimate parent company and controlling related party of Roxylight Homes Limited is Doverline Limited, a company registered in England and Wales.