

Roxylight Homes Limited

Financial statements

For the year ended 31 December 2005



Company No. 2938389

Company information

Company registration number	2938389
Registered office	The Clock House Frogmoor HIGH WYCOMBE Bucks HP13 5DL
Directors	J L Miller D C L Miller
Secretary	A Lakhani
Bankers	National Westminster Bank plc 4 Abbey Road READING Berkshire RG1 3BA
Solicitors	Jeffrey Green Russell Apollo House 56 New Bond Street LONDON W1Y 0SX
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors 1 Westminster Way OXFORD OX2 0PZ

Index

Report of the directors	3 - 4
Report of the independent auditor	5 - 6
Principal accounting policies	7
Profit and loss account	8
Balance sheet	9
Cash flow statement	10 - 11
Notes to the financial statements	12 - 16

Report of the directors

The directors present their report and the financial statements of the company for the year ended 31 December 2005.

Principal activities and business review

The company's principal activities are property management and development, administration and share dealing.

Results and dividends

The trading results for the year and the company's financial position at the end of the year are shown in the attached financial statements.

Directors

The directors who served the company during the year were as follows:

J L Miller
D C L Miller

The directors and their families had no interest in the shares of the company as at 31 December 2005 and 1 January 2005.

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

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

United Kingdom 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 year. In preparing those financial statements, the directors are required to:

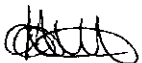
- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

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

BY ORDER OF THE BOARD



A Lakhani
Secretary

12/7/2006 .

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Grant Thornton 

Report of the independent auditor to the members of Roxylight Homes Limited

We have audited the financial statements of Roxylight Homes Limited for the year ended 31 December 2005 which comprise the principal accounting policies, profit and loss account, balance sheet, cash flow statement and notes 1 to 13. These financial statements have been prepared under the accounting policies set out therein.

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

Respective responsibilities of directors and auditor

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and 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 if, in our opinion, the Report of the Directors is not consistent with the financial statements, if 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 Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of 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.

Report of the independent auditor to the members of Roxylight Homes 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, of the state of the company's affairs as at 31 December 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Grant Thornton UK LLP

GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS

OXFORD

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3, August 2006

Principal accounting policies

Basis of accounting

These financial statements have been prepared under the historical cost convention and have been prepared in accordance with applicable accounting standards. A summary of the company's accounting policies is set out below, these have remained unchanged from the prior year except for the adoption of FRS 25.

The company has taken advantage of the exemption in FRS 25 and has not restated comparative information to comply with FRS 25. Accordingly the company has applied FRS 4 in the comparative information to financial instruments within the scope FRS 25. In the prior year the company applied the provisions of FRS 4 "Capital Instruments". Dividends in the prior year on the company's cumulative redeemable preference shares have been appropriated through the profit and loss account. However, as the company did not have sufficient distributable reserves in order to pay such preference dividends, these dividends were credited back within the profit and loss account reserves. In order to restate the comparative information to comply with FRS 25 the cumulative redeemable preference shares would be recognised as debt and disclosed within current liabilities and the dividends thereon would be disclosed as a finance charge through the profit and loss account.

Consolidation

In the opinion of the directors, the company and its subsidiary undertakings comprise a medium-sized group. The company has therefore taken advantage of the exemption provided by Section 248 of the Companies Act 1985 not to prepare group accounts.

Shares in group undertakings

Shares in group undertakings are included at cost less amount written off.

Profit and loss account

	Note	2005 £000	2004 £000
Turnover		-	-
Other operating (charges)/income	1	(3)	302
Operating (loss)/profit	2	<u>(3)</u>	<u>302</u>
Non-equity finance costs	4	50	-
(Loss)/profit on ordinary activities before taxation		<u>(53)</u>	<u>302</u>
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/profit on ordinary activities after taxation		<u>(53)</u>	<u>302</u>
Non-equity dividends	6	-	50
(Loss)/retained profit for the financial year	12	<u>(53)</u>	<u>252</u>

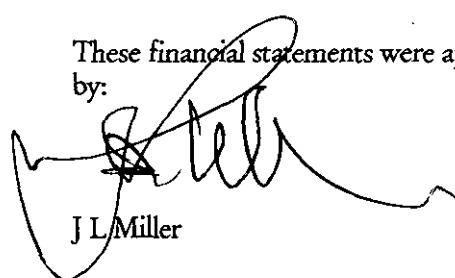
All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

Balance sheet

	Note	2005 £000	2004 £000
Fixed assets			
Investments	7	<u>1,626</u>	<u>1,626</u>
Current assets			
Debtors	8	252	252
Cash at bank		<u>2</u>	<u>2</u>
		254	254
Creditors: amounts falling due within one year	9	<u>1,480</u>	<u>1,477</u>
Net current liabilities		<u>(1,226)</u>	<u>(1,223)</u>
Total assets less current liabilities		<u>400</u>	<u>403</u>
Creditors: amounts falling due after more than one year	10	909	-
		<u>(509)</u>	<u>403</u>
Capital and reserves			
Called-up share capital	12	1	500
Profit and loss account	13	(510)	(97)
(Deficit)/shareholders' funds	13	<u>(509)</u>	<u>403</u>

These financial statements were approved by the directors on ~~12/11/2006~~ and are signed on their behalf by:


J L Miller

Cash flow statement

	2005 £000	2004 £000
Net cash inflow from operating activities	-	-
Returns on investments and servicing of finance		
Non-equity dividends paid	-	-
Net cash outflow from returns on investments and servicing of finance	-	-
Increase/(decrease) in cash	-	-
Reconciliation of operating (loss)/profit to net cash inflow from operating activities		
	2005 £000	2004 £000
Operating (loss)/profit	(3)	302
Increase in debtors	-	(2)
Increase/(decrease) in creditors	3	(300)
Net cash inflow from operating activities	-	-

Reconciliation of net cash flow to movement in net debt

	2005 £000	2004 £000
Increase/(decrease) in cash in the period	-	-
Change in net debt	-	-
Non-cash flows	(909)	-
Net funds at 1 January 2005	2	2
Net debt at 31 December 2005	<u>(907)</u>	<u>2</u>

Analysis of changes in net debt

	At 1 Jan 2005 £000	Cash flows £000	Non-cash flows £000	At 31 Dec 2005 £000
Net cash:				
Cash in hand and at bank	<u>2</u>	-	-	<u>2</u>
Debt:				
Debt due within 1 year	-	-	(909)	(909)
Net debt	<u>2</u>	-	<u>(909)</u>	<u>(907)</u>

During the year the company adopted FRS 25. In accordance with FRS 25 the redeemable preference shares and the unpaid cumulative redeemable preference share dividend have both been reclassified as current liabilities. This has resulted in non-cash flow movements in net debt of £499,450 in respect of the preference shares and £410,000 in respect of accumulated preference share dividends.

1 Other operating income & charges

	2005 £000	2004 £000
Inter-company waiver	-	(300)
Administrative expenses	3	(2)
Other operating charges/(income)	<u>3</u>	<u>(302)</u>

2 Operating (loss)/profit

Operating (loss)/profit is stated after charging:

	2005 £000	2004 £000
Auditor's remuneration:		
Audit fees	<u>3</u>	<u>-</u>

3 Directors and employees

No salaries or wages have been paid to employees, including the directors, during the year.

4 Non-equity finance costs

	2005 £000	2004 £000
Cumulative preference share interest	<u>50</u>	<u>-</u>

5 Taxation on ordinary activities

Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 30% (2004: 30%).

	2005 £000	2004 £000
(Loss)/profit on ordinary activities before taxation	<u>(53)</u>	<u>302</u>
Profit/(loss) on ordinary activities by rate of tax	(16)	90
Surrendered for group relief	1	-
Expenses not deductible for tax purposes	15	-
Permanent differences	-	(90)
Total current tax	<u>-</u>	<u>-</u>

6 Non-equity dividends

	2005 £000	2004 £000
Cumulative preference share interest	<u>—</u>	<u>50</u>

7 Investments

Shares in group undertakings

	£000
Cost	
At 1 January 2005 and 31 December 2005	<u>1,626</u>
Net book value	
At 31 December 2005	<u>1,626</u>
At 31 December 2004	<u>1,626</u>

At 31 December 2005 the subsidiary undertakings of the company were:

Held by the company:

Zaburn Limited

Saxon Developments Limited

Held by subsidiary undertaking:

Edmond Properties Limited	Saxon Urban (One) Limited
Edmond Homes Limited	Saxon Urban (Two) Limited
Sunguard Homes Limited	Saxon Urban (Three) Limited
Sneinton Space Management Limited	Saxon Urban (Four) Limited
Saxon Urban Limited	Saxon Urban (Five) Limited

There are further companies, all of which are dormant.

All of the above companies are registered in England and Wales and are wholly owned subsidiaries. The companies operate in the business of estate development and house building.

8 Debtors

	2005 £000	2004 £000
Amounts owed by group undertakings	251	251
VAT recoverable	1	1
	<u>252</u>	<u>252</u>

9 Creditors: amounts falling due within one year

	2005 £000	2004 £000
Amounts owed to group undertakings	1,477	1,477
Accruals and deferred income	3	–
	<u>1,480</u>	<u>1,477</u>

10 Creditors: amounts falling due after more than one year

	2005 £000	2004 £000
Shares classed as financial liabilities	499	–
Accumulated redeemable preference dividends	410	–
	<u>909</u>	<u>–</u>

During the year the company adopted FRS 25. In accordance with FRS 25 the redeemable preference shares and the unpaid cumulative redeemable preference share dividend have been reclassified as current liabilities.

11 Contingent liabilities

The company is party to a multilateral bank guarantee with its parent and fellow group undertakings. This is secured on land and other assets of the company. At 31 December 2005 the contingent liability amounted to £43,921,736 (2004: £43,531,348).

12 Share capital

Authorised share capital:

	2005 £000	2004 £000
550 Ordinary 'A' shares of £1 each	1	1
450 Ordinary 'B' shares of £1 each	-	-
449,450 Preference shares of £1 each	499	499
	<u>500</u>	<u>500</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£000	No	£000
Ordinary 'A' shares of £1 each	550	1	550	1
Ordinary 'B' shares of £1 each	450	-	450	-
Preference shares of £1 each	499,450	499	499,450	499
	<u>500,450</u>	<u>500</u>	<u>500,450</u>	<u>500</u>
Equity shares				
Ordinary 'A' shares of £1 each	550	1	550	1
Ordinary 'B' shares of £1 each	450	-	450	-
Preference shares of £1 each	-	-	499,450	499
	<u>1,000</u>	<u>1</u>	<u>500,450</u>	<u>500</u>
Shares classified as financial liabilities				
Preference shares of £1 each	499,450	499	-	-

During the year the company adopted FRS 25. In accordance with FRS 25 the redeemable preference shares and the unpaid cumulative redeemable preference share dividend have both been reclassified as current liabilities.

Preference shares

The preference shares are non-equity which carry an entitlement to a cumulative dividend at the rate of 10% (gross) per share per annum. They may be redeemed at any time after 1 April 1998 at the option of the company or the shareholders. Holders of preference shares do not have any voting rights. Preference shareholders have the right on winding-up to receive, in priority to any other class of shares, the sum of £1 per share together with any arrears of dividends.

Total arrears of cumulative preference dividends as at 31 December 2005 were £410,000 (2004 - £360,000).

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 rata as though all 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.

13 Reconciliation of shareholders' funds and movement on reserves

	Share capital £000	Profit and loss account £000	Total share- holders' funds £000
At 1 January 2004	500	(399)	101
Profit for the year	-	252	252
Preference share dividend written back	-	50	50
At 31 December 2004 and 1 January 2005	500	(97)	403
Loss for the year	-	(53)	(53)
Cumulative redeemable preference share dividends from prior years reclassified in accordance with FRS25 to current liabilities	-	(360)	(360)
Preference shares reclassified in accordance with FRS 25 as current liabilities	(499)	-	(499)
At 31 December 2005	<u>1</u>	<u>(510)</u>	<u>(509)</u>

14 Ultimate parent company

The directors consider that the ultimate parent undertaking of this company to be Evermale Limited by virtue of its 62.5% shareholding, which is registered in England and Wales.