

REGISTRAR
OF
COMPANIES

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST OCTOBER 1999

Registered Number : 3094756



SPAIN BROTHERS
CHARTERED ACCOUNTANTS



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COMPANIES HOUSE

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LITTLE BURTON DEVELOPMENT COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST OCTOBER 1999**

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LITTLE BURTON DEVELOPMENT COMPANY LIMITED

COMPANY INFORMATION **FOR THE YEAR ENDED 31ST OCTOBER 1999**

Incorporated in England and Wales on 23rd August 1995.

CHAIRMAN

J. Wheller, Esq.

OTHER DIRECTOR

R.J. Tyson, Esq.

SECRETARY

R.J. Tyson, Esq.

REGISTERED OFFICE

5 St James Street
Dover
Kent
CT16 1QD

BANKERS

National Westminster Bank plc
18a Curzon Street
London
W1A 4ND

AUDITORS

Spain Brothers & Co.
Chartered Accountants
5 St James Street
Dover
Kent
CT16 1QD

COMPANY NUMBER

3094756

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31ST OCTOBER 1999**

The directors present their report together with the audited financial statements for the year ended 31st October 1999.

PRINCIPAL ACTIVITY

The principal activity of the Company was that of development (by way of provision of infrastructure) and sale of housebuilding land.

DIRECTORS

The directors who served during the year and their interests in shares of the Company were:-

		<u>£1 Ordinary Shares (A & B)</u>	
		<u>31st October 1999</u>	<u>1st November 1998</u>
A.G. Fisher, Esq.	(Resigned 20.10.99)	-	-
C.J. Taylor, Esq.	(Resigned 14.09.99)	-	-
A.S.G. Fisher, Esq.	(Resigned 20.10.99)	-	-
R.J. Tyson, Esq.		-	-
J. Wheller, Esq.	(Appointed 01.09.99)	-	-

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 year. In preparing these 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;
- follow applicable accounting standards, 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.

YEAR 2000 COMPLIANCE

The directors are well aware of the Year 2000 issues. The operation of the business does not depend on a Company computer system, and has very limited dependence on computer systems of suppliers and customers.

The directors therefore feel that the exposure to risk in the event of a failure by other parties to remedy their own Year 2000 issues is minimal. The directors also believe that the Company will be able to deal with any problems that might arise without causing undue hardship to the Company and its activities.

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

REPORT OF THE DIRECTORS **FOR THE YEAR ENDED 31ST OCTOBER 1999 (Continued)**

AUDITORS

A resolution to re-appoint Spain Brothers & Co., as the Company's Auditors, will be proposed at the Annual General Meeting.

SMALL COMPANY EXEMPTIONS

The above report has been 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 21st July 2000.

5 St James Street
Dover
Kent
CT16 1QD

21st July 2000



By Order of the Board

R.J. Tyson, Esq.

Secretary

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

We have audited the financial statements set out on pages 4 to 9 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 financial 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 31st October 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



SPAIN BROTHERS & CO.
Chartered Accountants
Registered Auditors

5 St James Street
Dover
Kent
CT16 1QD

21st July 2000

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

PROFIT AND LOSS ACCOUNT **FOR THE YEAR ENDED 31ST OCTOBER 1999**

Note	<u>1999</u>	<u>1998</u>
2. <u>TURNOVER</u>	696,580	910,000
Cost of Sales	(653,124)	(826,321)
<u>GROSS PROFIT</u>	43,456	83,679
Administrative Expenses	(59,885)	(74,107)
3. <u>OPERATING (LOSS)/PROFIT</u>	(16,429)	9,572
Interest Receivable	18,262	1,486
	1,833	11,058
4. Interest Payable	(364)	(1,993)
<u>PROFIT ON ORDINARY</u>		
<u>ACTIVITIES BEFORE TAXATION</u>	1,469	9,065
5. Tax on Profit on Ordinary Activities	(345)	(1,802)
<u>PROFIT ON ORDINARY</u>		
<u>ACTIVITIES AFTER TAXATION</u>	1,124	7,263
Retained Profit Brought Forward	7,807	544
<u>RETAINED PROFIT CARRIED FORWARD</u>	£8,931	£7,807

CONTINUING OPERATIONS

None of the Company's activities have been acquired or discontinued during the above two years.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the profit for the above two years.

The notes on pages 6 to 9 form part of these financial statements.

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

BALANCE SHEET **AS AT 31ST OCTOBER 1999**

<u>Note</u>	<u>1999</u>	<u>1998</u>
<u>FIXED ASSETS</u>		
6. Tangible Assets	7,097	-
<u>CURRENT ASSETS</u>		
7. Stock	436,409	62,500
8. Debtors	193,066	924,857
Cash at Bank and in Hand	961,547	-
	1,591,022	987,357
9. <u>CREDITORS</u> Amounts falling due within one year	(1,589,088)	(979,450)
<u>NET CURRENT ASSETS</u>	1,934	7,907
<u>NET ASSETS</u>	£9,031	£7,907
<u>CAPITAL AND RESERVES</u>		
10. Called Up Share Capital	100	100
Profit and Loss Account	8,931	7,807
11. <u>SHAREHOLDERS' FUNDS</u>	£9,031	£7,907

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on 21st July 2000 and signed on their behalf by:-


 - Director
 J. Wheller, Esq.

The notes on pages 6 to 9 form part of these financial statements.

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST OCTOBER 1999**

1. ACCOUNTING POLICIES

The Company's financial statements are prepared in accordance with applicable accounting standards. The principal accounting policies adopted are as follows :-

Cash Flow Statement

The Company qualifies as a small company under the Companies Act 1985. The directors have elected to take advantage of the exemption under FRS1 not to prepare a Cash Flow Statement.

Turnover

Turnover comprises amounts derived from the provision of services in the normal course of business net of discounts and value added tax.

Depreciation

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

Motor Vehicles	25% on cost
Office Equipment	33 1/3% on cost

Stock and Work in Progress

Stock is stated at the lower of cost and net realisable value and represents the cost of land and sand held for resale at the Balance Sheet date. Work in progress is valued at cost of direct materials and labour plus attributable overheads where applicable.

Long Term Contracts

Turnover on long term contracts is recognised according to the stage reached in the contract by reference to the value of work done. A prudent estimate of the profit attributable to work completed is recognised once the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is shown under debtors as amounts recoverable on contracts. Where payments on account exceed turnover the excess is shown under creditors due within one year as payments on account. Costs on long term contracts not yet taken to the profit and loss account less related foreseeable losses and payments on account are shown in stocks as long term contract balances.

Hire Purchase

Assets acquired under hire purchase agreements are included in the Balance Sheet at cost less accumulated depreciation. The corresponding obligations under these contracts are included as creditors. The interest element of these obligations is charged to the Profit and Loss Account on a straight line basis over the life of each agreement.

2. TURNOVER

The Company's operations are considered to fall into one class of business and derive from one geographical market.

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST OCTOBER 1999**

3. OPERATING (LOSS)/PROFIT

Operating (Loss)/Profit is stated after charging:

Auditors' Remuneration (including expenses)
Depreciation of Tangible Fixed Assets
 - Owned Fixed Assets
Loss on Disposal of Fixed Assets
Directors' Emoluments

<u>1999</u>	<u>1998</u>
5,000	5,000
2,486	-
-	4,864
7,565	38,157

4. INTEREST PAYABLE

Bank Loans and Overdraft
Hire Purchase Agreements
Other Interest

<u>1999</u>	<u>1998</u>
218	1,123
146	870
-	-
£364	£1,993

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

UK Corporation Tax due at 21% on the results for the year
Overprovision on Previous Years

<u>1999</u>	<u>1998</u>
434	1,802
(89)	-
£345	£1,802

6. FIXED ASSETS

Cost

At 1st November 1998
Additions

At 31st October 1999

Depreciation

At 1st November 1998
Charge for the Year

At 31st October 1999

Net Book Value

At 31st October 1999

At 1st November 1998

<u>Motor Vehicles</u>	<u>Office Equipment</u>	<u>TOTAL</u>
-	-	-
8,500	1,083	9,583
£8,500	£1,083	£9,583
-	-	-
2,125	361	2,486
£2,125	£361	£2,486
£6,375	£722	£7,097
£ -	£ -	£ -

The net book value of tangible fixed assets includes £Nil in respect of assets held under hire purchase contracts. Depreciation of £Nil (1998: £Nil) has been charged on those assets in the period.

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST OCTOBER 1999**

7. **STOCK**

Land for Development and Sale
Sand for Resale

<u>1999</u>	<u>1998</u>
380,170	62,500
56,239	-
£436,409	£62,500

8. **DEBTORS**

Trade Debtors
Other Debtors
Prepayments and Accrued Income

<u>1999</u>	<u>1998</u>
191,280	923,321
600	100
1,186	1,436
£193,066	£924,857

9. **CREDITORS** - Amounts falling due within one year

Bank Overdraft
Trade Creditors
Payments on Account
Corporation Tax
Other Taxation and Social Security
Other Creditors
Obligations under Hire Purchase Agreements

<u>1999</u>	<u>1998</u>
194,699	59,502
526,571	876,057
641,392	-
2,147	1,802
216,109	12,638
8,170	28,139
-	1,312
£1,589,088	£979,450

Obligations under hire purchase agreements, which are secured on the assets concerned, are repayable as follows:-

Within one year
Between two and five years

Interest thereon

<u>1999</u>	<u>1998</u>
-	1,457
-	-
-	1,457
-	(145)
£ -	£1,312

LITTLE BURTON DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST OCTOBER 1999**

10. SHARE CAPITAL

Authorised

50 £1 Ordinary "A" Shares

50 £1 Ordinary "B" Shares

Issued and Fully Paid

50 £1 Ordinary "A" Shares

50 £1 Ordinary "B" Shares

<u>1999</u>	<u>1998</u>
50	50
50	50
£100	£100
50	50
50	50
£100	£100

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Profit for the Year and Net Addition
to Shareholders' Funds

Opening Shareholders' Funds

Closing Shareholders' Funds

<u>1999</u>	<u>1998</u>
1,124	7,263
7,907	644
£9,031	£7,907

12. DIRECTORS' INTERESTS IN TRANSACTIONS

R.J. Tyson, Esq is also a director of Walker Construction (UK) Limited. Walker Construction (UK) Limited provided the Company with services during the year totalling £172,521 (1998: £321,197).

At the Balance Sheet date the Company owed Walker Construction (UK) Limited £262,991 (1998: £275,020).

During the year the Company purchased land from A G Fisher Esq for the sum of £384,250 (1998: £NIL).

13. FINANCIAL COMMITMENTS

The Company has given a number of guarantees and performance bonds to Kent County Council, Ashford Borough Council, Water Service companies and various Home Builders totalling £3,837,500. The guarantees are indemnified by the Company's bank which are secured by fixed charges over the land at Little Burton Farm and by guarantees given by the shareholders, RSR Developments Limited and by the Development Contractors, Walkers Construction (UK) Limited.