

# REGISTRAR OF COMPANIES

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**Registered Number: 3094756**

**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST OCTOBER 2007**

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COMPANIES HOUSE



**SPAIN BROTHERS**  
CHARTERED ACCOUNTANTS

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**Registered Office.**

5 St James's Street,  
Dover, Kent CT16 1QD

**Company number.- 3094756**

**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31ST OCTOBER 2007**

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**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED**  
**31ST OCTOBER 2007**

Incorporated in England and Wales on 23rd August 1995

<b>CHAIRMAN:</b>	R Walker, Esq (appointed 16th October 2007) J Wheller, Esq (resigned 16th October 2007)
<b>SECRETARY</b>	T T Walker-Reid, Esq (appointed 16th October 2007) G P Miller, Esq (resigned 16th October 2007)
<b>REGISTERED OFFICE</b>	5 St James's Street Dover Kent CT16 1QD
<b>BANKERS</b>	National Westminster Bank plc 18a Curzon Street London W1A 4ND
<b>ACCOUNTANTS</b>	Spain Brothers & Co Chartered Accountants 5 St James's Street Dover Kent CT16 1QD
<b>COMPANY NUMBER:</b>	3094756

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**REPORT OF THE DIRECTOR**  
**FOR THE YEAR ENDED 31ST OCTOBER 2007**

The director presents his report to the members, together with the unaudited financial statements for the year ended 31st October 2007

**PRINCIPAL ACTIVITY**

The principal activity of the Company was that of development (by way of provision of infrastructure) and sale of housebuilding land. During the year the Company also provided infrastructure services to other contractors in an effort to further its business activities and increase sales.

**DIRECTOR**

The Directors who served during the year are as follows -

J Wheller, Esq. who resigned on 16th October 2007, R Walker, Esq. was appointed on 16th October 2007

**AUDITORS**

The Company satisfies the requirements of s 249A(1) of the Companies Act 1985 and is therefore exempt from the requirement to have its accounts audited.

The Auditors, Spain Brothers & Co., resigned from office as necessary on 1st October 2007.

**SMALL COMPANY EXEMPTIONS**

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

The financial statements were approved by the Board and authorised for issue on 16th May 2008.

BY ORDER OF THE BOARD



T T Walker-Reid, Esq. - Secretary

Registered Office

5 St James's Street,  
DOVER, Kent CT16 1QD

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTOR  
ON THE UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST OCTOBER 2007**

In accordance with the engagement letter and in order to assist you to fulfill your duties under the Companies Act 1985, we have compiled the Financial Statements of the Company which comprise the Profit and Loss Account, Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

The report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the Financial Statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of Financial Statements.

You have acknowledged on the Balance Sheet for the year ended 31st October 2007 your duty to ensure that the Company has kept proper accounting records and to prepare Financial Statements that give a true and fair view under the Companies Act 1985. You consider that the Company is exempt from the statutory requirement for an audit in the period.

We have not been instructed to carry out an audit of the Financial Statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the Financial Statements.



5 St James's Street,  
Dover,  
Kent CT16 1QD

**SPAIN BROTHERS & CO**  
Chartered Accountants

Date. 21 May 2008

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**UNAUDITED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED**  
**31ST OCTOBER 2007**

	<u>Note</u>	<u>2007</u>	<u>2006</u>
<b><u>TURNOVER</u></b>	2	793,116	1,773,365
Cost of Sales		(505,002)	(1,774,198)
<b><u>GROSS PROFIT/(LOSS)</u></b>		288,114	(833)
Administrative Expenses		(30,175)	(121,914)
<b><u>OPERATING PROFIT/(LOSS)</u></b>	3	257,939	(122,747)
Interest Receivable		0	279
		257,939	(122,468)
Interest Payable	4	(63,765)	(146,943)
<b><u>PROFIT/(LOSS) ON ORDINARY</u></b> <b><u>ACTIVITIES BEFORE TAXATION</u></b>		194,174	(269,411)
Tax on Profit/(Loss) on Ordinary Activities	5	0	(19,691)
<b><u>PROFIT/(LOSS) ON ORDINARY</u></b> <b><u>ACTIVITIES AFTER TAXATION</u></b>	13	£194,174	(£289,102)

**CONTINUING OPERATIONS**

None of the Company's activities were acquired or discontinued during the above two financial years

**TOTAL RECOGNISED GAINS AND LOSSES**

The Company has no recognised gains or losses other than the loss for the above two financial years

The notes on pages 6 to 11 form part of these Financial Statements

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

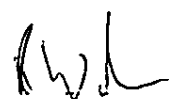
**UNAUDITED BALANCE SHEET  
AS AT 31ST OCTOBER 2007**

	Note	2007	2006
<b><u>FIXED ASSETS</u></b>			
Tangible assets	6	0	414
<b><u>CURRENT ASSETS</u></b>			
Stock and Work in Progress	7	938,503	1,396,118
Debtors	8	220	51,136
Deferred Taxation	9	0	0
Cash at Bank and in Hand		93,538	0
		1,032,261	1,447,254
<b><u>CREDITORS. Amounts falling due within one year</u></b>	10	(1,258,127)	(1,827,708)
<b><u>NET CURRENT LIABILITIES</u></b>		(225,866)	(380,454)
<b><u>TOTAL ASSETS LESS CURRENT LIABILITIES</u></b>		(225,866)	(380,040)
<b><u>CREDITORS. Amounts falling due after more than one year</u></b>	11	(80,000)	(120,000)
<b><u>NET LIABILITIES</u></b>		(£305,866)	(£500,040)
<b><u>CAPITAL AND RESERVES</u></b>			
Called Up Share Capital	12	100	100
Profit and Loss Account	13	(305,966)	(500,140)
<b><u>SHAREHOLDERS' DEFICIT</u></b>	14	(£305,866)	(£500,040)

For the year ended 31st October 2007, the Company was entitled to exemption under Section 249A (1) of the Companies Act 1985. No notice has been deposited under Section 249B (2) in relation to the accounts for the financial period. The director acknowledges his responsibility for ensuring that the Company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its result for the financial year in accordance with the requirements of section 226 of the Act, and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to the Company.

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 on 16th May 2008 and signed on their behalf by



R. Walker, Esq  
Director

The notes on pages 6 to 11 form part of these Financial Statements

# **LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

## **NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST OCTOBER 2007**

### **1 ACCOUNTING POLICIES**

The Company's Financial Statements are prepared in accordance with the United Kingdom Statements of Standard Accounting Practice and Financial Reporting 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

#### **Going Concern**

The financial statements are prepared on the basis that the Company will continue in operational existence for the foreseeable future. This means, in particular, that the Profit and Loss Account and Balance Sheet assume no intention or necessity to liquidate or curtail significantly the scale of the operation. The financial statements have been prepared on this basis given the continuing financial support of the director and shareholders

#### **Turnover**

Turnover comprises amounts derived from the sale of land and houses and provision of services in the normal course of business net of discounts and Value Added Tax

#### **Tangible Fixed Assets**

The cost of tangible fixed assets includes only expenditure incurred in bringing the assets into working condition for their intended use. Depreciation is provided at the following annual rates in order to allocate the depreciable amount over its estimated useful life -

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 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

Net realisable value is based on estimated selling price after allowing for all further costs of completion and disposal

#### **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

#### **Leased Assets**

Assets acquired under finance leases and hire purchase contracts of a similar nature are included in the Balance Sheet at their equivalent capital value less accumulated depreciation. The corresponding obligations under these leases 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

Operating lease rentals are charged to the Profit and Loss Account as incurred



# LITTLE BURTON DEVELOPMENT COMPANY LIMITED

## NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31ST OCTOBER 2007

### 1 ACCOUNTING POLICIES (CONTINUED)

#### Deferred Taxation

Deferred tax is recognised in respect of all timing differences between profits as computed for tax purposes and profits computed for these financial statements, except that a deferred tax asset is only recognised to the extent that it is recoverable. Deferred tax is calculated using the current small company rate of UK Corporation Tax.

#### Provisions

Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the Balance Sheet date and that a payment will be required in settlement that can be reliably estimated.

### 2 TURNOVER

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

### 3 OPERATING PROFIT/(LOSS)

Operating Profit/(Loss) is stated after charging/(crediting) -

Auditors' Remuneration (including Expenses)	£0	£5,000
Depreciation of Tangible Fixed Assets - Owned Assets	£414	£4,660
Profit on sales of Tangible Fixed Assets	(£4,000)	£0
Operating Lease Rental	£399	£798
Directors' Emoluments	£16,269	£38,498

<u>2007</u>	<u>2006</u>
£0	£5,000
£414	£4,660
(£4,000)	£0
£399	£798
£16,269	£38,498

### 4 INTEREST PAYABLE

Bank Loan Interest
Other Loan Interest

<u>2007</u>	<u>2006</u>
35,455	81,212
28,310	65,731
£63,765	£146,943

### 5 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

a) Analysis of (Charge)/Credit for the year

UK Corporation Tax on the results for the year (b)
Deferred Tax (Note 9)

<u>2007</u>	<u>2006</u>
0	0
0	(19,691)
£0	(£19,691)

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31ST OCTOBER 2007**

**5 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (CONTINUED)**

b) Factors affecting Tax Charge for the year

The tax assessed for the year is lower than the standard small company rate of Corporation Tax of 19%. The differences are explained as follows -

Profit/(Loss) on Ordinary Activities before Tax

<u>2007</u>	<u>2006</u>
£194,174	(£269,411)

Tax on Loss on Ordinary Activities at standard small UK company rate of Corporation Tax of 19.59% (19%)

<u>2007</u>	<u>2006</u>
38,039	51,188
Expenses not deductible for tax purposes	(68)
Depreciation in excess of capital allowances	(581)
Losses carried forward	(50,539)
Loss Relief	0
(37,280)	0
£0	£0

Current Tax Charge for Year (a)

**6 TANGIBLE FIXED ASSETS**

**Cost:**

At 1st November 2006

Disposals

At 31st October 2007

<u>Motor Vehicles</u>	<u>Office Equipment</u>	<u>Total</u>
15,753	3,248	19,001
(15,753)	0	(15,753)
£0	£3,248	£3,248

**Depreciation:**

At 1st November 2006

Charge for Year

Disposals

At 31st October 2007

15,753	2,834	18,587
0	414	414
(15,753)	0	(15,753)
£0	£3,248	£3,248

**Net Book Value**

At 31st October 2007

At 1st November 2006

£0	£0	£0
£0	£414	£414

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS  
(CONTINUED)  
FOR THE YEAR ENDED 31ST OCTOBER 2007**

**7 STOCK AND WORK IN PROGRESS**

Land for Development and Sale  
Work in Progress (long term)

<u>2007</u>	<u>2006</u>
715,273	1,116,807
223,230	279,311
<b>£938,503</b>	<b>£1,396,118</b>

Included within work in progress is capitalised interest amounting to £162,733 (2006 £127,279)

**8 DEBTORS**

Trade Debtors  
Other Debtors

<u>2007</u>	<u>2006</u>
12	21,974
208	29,162
<b>£220</b>	<b>£51,136</b>

**9 DEFERRED TAXATION**

Balance at 1st November 2006  
Transfer to Profit and Loss Account (Note 5)

<u>2007</u>	<u>2006</u>
0	19,691
0	(19,691)
<b>£0</b>	<b>£0</b>

Balance at 31st October 2007

The deferred tax asset was written back to Profit and Loss in 2006 as the director is uncertain as to the recoverability of the asset in the foreseeable future

The Company currently has £177,160 of tax losses which are carried forward for relief against future profits for which no deferred tax asset has been recognised

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS  
(CONTINUED)  
FOR THE YEAR ENDED 31ST OCTOBER 2007**

**10 CREDITORS.**

**Amounts falling due within one year**

Bank Overdraft

Bank Loans

Other Loans

Trade Creditors

Other Taxation and Social Security

Other Creditors

<u>2007</u>	<u>2006</u>
0	591
480,000	480,000
480,000	350,000
256,551	934,841
0	3,232
41,576	59,044
<b>£1,258,127</b>	<b>£1,827,708</b>

The bank loans are secured by standard mortgage debentures over development sites together with a fixed and floating charge over the company's assets. The loans are repayable on demand and interest is payable at 2% above the NatWest Base Rate.

**11 CREDITORS.**

**Amounts falling due after more than one year**

Other loans

<u>2007</u>	<u>2006</u>
80,000	120,000
<b>£80,000</b>	<b>£120,000</b>

Other loans which are secured on the assets concerned are repayable as follows

Within one year

Between two and five years

<u>2007</u>	<u>2006</u>
480,000	350,000
80,000	120,000
<b>£560,000</b>	<b>£470,000</b>

**12 SHARE CAPITAL**

**Authorised**

50 £1 Ordinary "A" Shares

50 £1 Ordinary "B" Shares

<u>2007</u>	<u>2006</u>
50	50
50	50
<b>£100</b>	<b>£100</b>

**Issued and Fully Paid:**

50 £1 Ordinary "A" Shares

50 £1 Ordinary "B" Shares

<u>2007</u>	<u>2006</u>
50	50
50	50
<b>£100</b>	<b>£100</b>

All shares carry equal rights

**LITTLE BURTON DEVELOPMENT COMPANY LIMITED**

**NOTES FORMING PART OF THE UNAUDITED FINANCIAL STATEMENTS**  
**(CONTINUED)**  
**FOR THE YEAR ENDED 31ST OCTOBER 2007**

**13 PROFIT AND LOSS ACCOUNT**

	<b><u>2007</u></b>	<b><u>2006</u></b>
Profit and Loss Account at 1st November 2006	(500,140)	(211,038)
Loss for the Financial Year	194,174	(289,102)
Profit and Loss Account at 31st October 2007	(£305,966)	(£500,140)

**14 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b><u>2007</u></b>	<b><u>2006</u></b>
Profit/(Loss) for the Financial Year and Net Addition/(Reduction) to Shareholders' Funds	194,174	(289,102)
Opening Shareholders' Deficit	(500,040)	(210,938)
Closing Shareholders' Deficit	(£305,866)	(£500,040)

**15 FINANCIAL COMMITMENTS**

The Company has given guarantees and performance bonds to Kent County Council totalling £131,120. The guarantees are indemnified by the Company's bank which are secured by fixed charges over all the Company's development sites and by guarantees given by the shareholders and by the Development Contractors, Walkers Construction (UK) Limited.

At the Balance Sheet date, the Company's commitments under operating leases during the next year were as follows -

	<b><u>2007</u></b>	<b><u>2006</u></b>
Operating leases which expire		
within one year	0	0
between two and five years	0	798
	£0	£798

The lease was settled before the year-end.

**16 ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is R. Walker, as a result of being a director and shareholder.