

Company Registration No 3751909 (England and Wales)

**BUXTON HOMES (SOUTHWARK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2006**



# BUXTON HOMES (SOUTHWARK) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	D W Buxton S W Buxton
<b>Secretary</b>	M A Freeland
<b>Company number</b>	3751909
<b>Registered office</b>	Cedar House, 91 High Street Caterham Surrey CR3 5UH
<b>Auditors</b>	Lawrence Wong & Co 2 Parkfield Gardens Harrow Middlesex HA2 6JR
<b>Business address</b>	Cedar House, 91 High Street Caterham Surrey CR3 5UH

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# BUXTON HOMES (SOUTHWARK) LIMITED

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# **BUXTON HOMES (SOUTHWARK) LIMITED**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2006**

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The directors present their report and financial statements for the year ended 31 July 2006

### **Principal activities**

The principal activity of the company continued to be that of renting out investment properties

### **Directors**

The following directors have held office since 1 August 2005

D W Buxton

S W Buxton

### **Directors' interests**

The directors' interests in the shares of the company were as stated below

	Ordinary shares of £ 1 each	
	31 July 2006	1 August 2005
D W Buxton	-	-
S W Buxton	-	-

### **Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Messrs Lawrence Wong & Co , be reappointed as auditors of the company will be put to the Annual General Meeting

# **BUXTON HOMES (SOUTHWARK) LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2006**

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### **Directors' responsibilities**

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

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 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 which disclose with reasonable accuracy at any time the financial position of the company and 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.

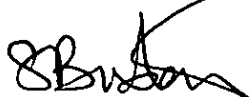
### **Statement of disclosure to auditor**

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

On behalf of the board



S W Buxton

**Director**

9 October 2006

# **BUXTON HOMES (SOUTHWARK) LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF BUXTON HOMES (SOUTHWARK) LIMITED**

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We have audited the financial statements of BUXTON HOMES (SOUTHWARK) LIMITED for the year ended 31 July 2006 set out on pages 5 to 11. 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 auditors' 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 the directors and auditors**

As described in the Statement of Directors' Responsibilities on page 2, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 directors' report is not consistent with the financial statements, if the company has not kept proper accounting records or 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 directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit 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.

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.

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# **BUXTON HOMES (SOUTHWARK) LIMITED**


## **INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF BUXTON HOMES (SOUTHWARK) LIMITED**

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### **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 July 2006 and of its profit for the year then ended ,
- the information given in the directors' report is consistent with the financial statements, and
- have been properly prepared in accordance with the Companies Act 1985



**Lawrence Wong & Co**

9 October 2006

Chartered Accountants  
**Registered Auditor**

2 Parkfield Gardens  
Harrow  
Middlesex  
HA2 6JR

# BUXTON HOMES (SOUTHWARK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2006

	Notes	2006 £	2005 £
<b>Turnover</b>		197,738	196,037
Property costs		(65,630)	(54,868)
Administrative expenses		(2,104)	(2,893)
<b>Operating profit</b>	<b>2</b>	130,004	138,276
Other interest receivable and similar income		377	237
Interest payable and similar charges		(87,887)	(96,180)
<b>Profit on ordinary activities before taxation</b>		42,494	42,333
Tax on profit on ordinary activities	<b>4</b>	(12,798)	(15,784)
<b>Profit on ordinary activities after taxation</b>	<b>11</b>	29,696	26,549

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains or losses other than those passing through the profit and loss account



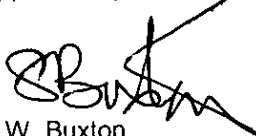
# BUXTON HOMES (SOUTHWARK) LIMITED

## BALANCE SHEET AS AT 31 JULY 2006

	Notes	2006 £	£	2005 £	£
<b>Fixed assets</b>					
Tangible assets	5 and 6	4,033,404		4,034,539	
<b>Current assets</b>					
Debtors	7	2,752		1,178	
Cash at bank and in hand		31,823		32,829	
		<u>34,575</u>		<u>34,007</u>	
<b>Creditors amounts falling due within one year</b>	8	<u>(1,020,989)</u>		<u>(1,015,045)</u>	
<b>Net current liabilities</b>			<u>(986,414)</u>		<u>(981,038)</u>
<b>Total assets less current liabilities</b>		3,046,990		3,053,501	
<b>Creditors amounts falling due after more than one year</b>	9	<u>(1,499,208)</u>		<u>(1,535,415)</u>	
		<u>1,547,782</u>		<u>1,518,086</u>	
<b>Capital and reserves</b>					
Called up share capital	10	2		2	
Revaluation reserve	11	1,422,404		1,422,404	
Profit and loss account	11	125,376		95,680	
<b>Shareholders' funds</b>	12	<u>1,547,782</u>		<u>1,518,086</u>	

These 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 and authorised for issue on 9 October 2006

  
S W Buxton

Director

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# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2006

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Turnover

Turnover represents rents receivable and excludes value added tax

#### 1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Fixtures, fittings & equipment	25% on written down value
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#### Investment properties

Investment properties are included in the balance sheet at their open market value as valued by the directors. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, 'Accounting for Investment Properties', it is a departure from the general requirement of the Companies Act 1985 for all tangible fixed assets to be depreciated. In the opinion of the directors, compliance with the standard is necessary for the accounts to give a true and fair view. Depreciation and amortisation is only one of the many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified

#### 1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the incremental liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future

### 2 Operating profit

	2006 £	2005 £
Operating profit is stated after charging		
Depreciation of tangible assets	1,135	2,269
Auditors' remuneration	1,763	2,468

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2006

<b>3</b>	<b>Investment income</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Bank interest	377	237
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Taxation</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	12,798	12,993
	Adjustment for prior years	-	2,791
		<u>          </u>	<u>          </u>
	<b>Current tax charge</b>	<b>12,798</b>	<b>15,784</b>
		<u>          </u>	<u>          </u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	42,494	42,333
		<u>          </u>	<u>          </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2005: 30.00%)	12,748	12,700
		<u>          </u>	<u>          </u>
	Effects of		
	Depreciation add back	341	681
	Capital allowances	(291)	(388)
	Adjustments to previous periods	-	2,791
		<u>          </u>	<u>          </u>
		50	3,084
		<u>          </u>	<u>          </u>
	<b>Current tax charge</b>	<b>12,798</b>	<b>15,784</b>
		<u>          </u>	<u>          </u>

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2006

### 5 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost or valuation</b>	
At 1 August 2005 & at 31 July 2006	16,035
<b>Depreciation</b>	
At 1 August 2005	11,496
Charge for the year	1,135
At 31 July 2006	12,631
<b>Net book value</b>	
At 31 July 2006	3,404
At 31 July 2005	4,539

### 6 Tangible fixed assets

	Investment properties £
<b>Cost or valuation</b>	
At 1 August 2005 & at 31 July 2006	4,030,000

The investment properties were revalued in August 2005 by Cluttons, on an open market basis. The directors believe that the valuation represents the current open market value of the properties. No depreciation is provided in respect of these properties.

On an historical cost basis these would have been included at an original cost of £2,607,596.

7 Debtors	2006 £	2005 £
Trade debtors	1,087	-
Other debtors and prepayments	1,665	1,178
	<u>2,752</u>	<u>1,178</u>

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2006

8	Creditors amounts falling due within one year	2006 £	2005 £
	Bank loans and overdrafts	33,036	31,256
	Taxation and social security	12,798	12,993
	Payments received on account	1,049	2,209
	Amounts owed to joint venture and associated companies	934,838	933,658
	Other creditors and accruals	39,268	34,929
		<u>1,020,989</u>	<u>1,015,045</u>

The bank loan is secured by a fixed and floating charge over the assets of the company

9	Creditors amounts falling due after more than one year	2006 £	2005 £
	Bank loans	<u>1,499,208</u>	<u>1,535,415</u>
	<b>Analysis of loans</b>		
	Wholly repayable within five years	177,048	188,776
	Included in current liabilities	<u>(33,036)</u>	<u>(31,256)</u>
		<u>145,793</u>	<u>154,708</u>
	<b>Loan maturity analysis</b>		
	In more than one year but not more than two years	-	33,207
	In more than two years but not more than five years	-	112,586
	In more than five years	-	<u>1,389,622</u>
		<u>1,499,208</u>	<u>1,535,415</u>

The bank loan is secured by a fixed and floating charge over the assets of the company. The loan facility was renewed 17 11 03 and is repayable over 25 years and interest is calculated at 1.25% over the bank base rate. At the year end, the rate was 5.75%.

10	Share capital	2006 £	2005 £
	<b>Authorised</b>		
	100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<b>Allotted, called up and fully paid</b>		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2006

### 11 Statement of movements on reserves

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 August 2005	1,422,404	95,680
Profit for the year	-	29,696
	<u>1,422,404</u>	<u>125,376</u>
Balance at 31 July 2006	<u>1,422,404</u>	<u>125,376</u>

### 12 Reconciliation of movements in shareholders' funds

	2006 £	2005 £
Profit for the financial year	29,696	26,549
Other recognised gains and losses	-	705,000
	<u>29,696</u>	<u>731,549</u>
Net addition to shareholders' funds	1,518,086	786,537
Opening shareholders' funds	<u>1,547,782</u>	<u>1,518,086</u>
Closing shareholders' funds	<u>1,547,782</u>	<u>1,518,086</u>