

BUXTON HOMES (SOUTHWARK) LIMITED

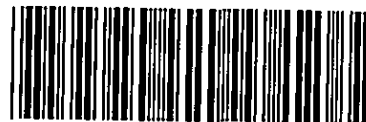
Directors' Report And Financial Statements

For the year ended 31 July 2011

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COMPANIES HOUSE

Company Registration No 03751909 (England And Wales)

BUXTON HOMES (SOUTHWARK) LIMITED

COMPANY INFORMATION

Directors	D W Buxton S W Buxton
Secretary	M A Freeland
Company number	03751909
Registered office	Cedar House 91 High Street Caterham Surrey CR3 5UH
Auditors	Kingston Smith LLP Surrey House 36-44 High Street Redhill Surrey RH1 1RH
Business address	Cedar House 91 High Street Caterham Surrey CR3 5UH

BUXTON HOMES (SOUTHWARK) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2011

The directors present their report and financial statements for the year ended 31 July 2011

Principal activities

The principal activity of the company continued to be that of investment in residential properties

Directors

The following directors have held office since 1 August 2010

D W Buxton

S W Buxton

Auditors

Kingston Smith LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006. 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

BUXTON HOMES (SOUTHWARK) LIMITED

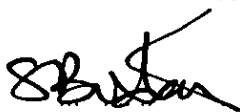
DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all 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 relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



S W Buxton

Director

09-02-2012

BUXTON HOMES (SOUTHWARK) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BUXTON HOMES (SOUTHWARK) LIMITED

We have audited the financial statements of Buxton Homes (Southwark) Limited for the year ended 31 July 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditors' report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party 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 auditors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 July 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

BUXTON HOMES (SOUTHWARK) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BUXTON HOMES (SOUTHWARK) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report

Kingston Smith LLP

David Montgomery (Senior Statutory Auditor)
for and on behalf of Kingston Smith LLP

9.2.12

Chartered Accountants
Statutory Auditor

Surrey House
36-44 High Street
Redhill
Surrey
RH1 1RH

BUXTON HOMES (SOUTHWARK) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2011

		2011 £	2010 £
	Notes		
Turnover		203,363	200,513
Administrative expenses		(43,388)	(57,643)
Operating profit	2	159,975	142,870
Other interest receivable and similar income	3	1,607	965
Interest payable and similar charges		(172,148)	(167,068)
Loss on ordinary activities before taxation		(10,566)	(23,233)
Tax on loss on ordinary activities	4	-	(1,615)
Loss for the year	11	(10,566)	(24,848)

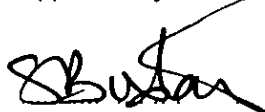
BUXTON HOMES (SOUTHWARK) LIMITED

BALANCE SHEET AS AT 31 JULY 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	5 and 6		4,264,910		4,033,908
Current assets					
Debtors	7	107,635		113,707	
Cash at bank and in hand		47,211		43,711	
		<u>154,846</u>		<u>157,418</u>	
Creditors amounts falling due within one year	8	<u>(2,665,948)</u>		<u>(56,952)</u>	
Net current (liabilities)/assets			<u>(2,511,102)</u>		<u>100,466</u>
Total assets less current liabilities			<u>1,753,808</u>		<u>4,134,374</u>
Creditors amounts falling due after more than one year	9		-		(2,600,000)
			<u>1,753,808</u>		<u>1,534,374</u>
Capital and reserves					
Called up share capital	10		1		1
Revaluation reserve	11		1,652,404		1,422,404
Other reserves	11		1		1
Profit and loss account	11		101,402		111,968
Shareholders' funds			<u>1,753,808</u>		<u>1,534,374</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board for issue on 09-02-2012



S W Buxton
Director

Company Registration No 03751909

BUXTON HOMES (SOUTHWARK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2011

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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

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 property rental charges to external customers at invoiced amounts less value added tax or local taxes on sales. Rental charges invoiced in advance are treated as deferred income.

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% reducing balance
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1.5 Deferred taxation

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- deferred tax is not recognised on timing differences arising on revalued properties unless the company has entered into a binding sale agreement and is not proposing to take advantage of rollover relief, and
- the recognition of deferred tax assets is limited to the extent that the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences.

Deferred tax balances are not discounted.

1.6 Investment properties

In accordance with the FRSSE investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired term lease is less than 20 years.

The directors consider that this accounting policy results in the financial statements giving a true and fair view. The effect of this departure from the Companies Act 2006 has not been quantified because it is impracticable and, in the opinion of the directors, would be misleading.

The aggregate surplus or deficit arising on the revaluation is transferred to the revaluation reserve except where a deficit is deemed to represent a permanent diminution in value, in which case it is charged to the profit and loss account.

BUXTON HOMES (SOUTHWARK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

1 Accounting policies

(continued)

1.7 Financial support

The company had net current liabilities at 31 July 2011 totalling £2,511,102 including £2,600,000 of bank loan due to be repaid in September 2011. As explained in note 9, since the year end the bank loan has been refinanced within the immediate and ultimate parent company, W & R Buxton Holdings Limited, and so the bank liability has been replaced by a debt due to that company.

W & R Buxton Holdings Limited has committed to providing the company with the necessary financial support in order to ensure that the company can continue in operation for a period of not less than one year from the date of these financial statements.

2 Operating profit	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	1,208	682

During the current financial year auditors' remuneration was borne by W & R Buxton Limited, a fellow subsidiary company.

3 Investment income	2011 £	2010 £
Bank interest	19	965
Other interest	1,588	-
	1,607	965

4 Taxation	2011 £	2010 £
Domestic current year tax		
Adjustment for prior years	-	1,615
Total current tax	-	1,615

BUXTON HOMES (SOUTHWARK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost or valuation	
At 1 August 2010	19,189
Additions	2,210
	<hr/>
At 31 July 2011	21,399
	<hr/>
Depreciation	
At 1 August 2010	15,281
Charge for the year	1,208
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At 31 July 2011	16,489
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Net book value	
At 31 July 2011	4,910
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At 31 July 2010	3,908
	<hr/>

6 Tangible fixed assets

	Investment properties
	£
Cost or valuation	
At 1 August 2010	4,030,000
Revaluation	230,000
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At 31 July 2011	4,260,000
	<hr/>
Net book value	
At 31 July 2011	4,260,000
	<hr/>
At 31 July 2010	4,030,000
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The investment property was valued in October 2011 by GVA, Surveyors and Valuers, on an open market basis. The directors are of the opinion that the value at 31 July 2011 was not materially different and so this value has been incorporated in these financial statements.

On a historic cost basis these would have been valued at an original cost of £2,607,596.

BUXTON HOMES (SOUTHWARK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

7 Debtors	2011	2010
	£	£
Amounts owed by group undertakings	103,106	108,108
Other debtors	4,529	5,599
	<u>107,635</u>	<u>113,707</u>
8 Creditors amounts falling due within one year	2011	2010
	£	£
Bank loans and overdrafts	2,600,000	-
Trade creditors	4,025	2,238
Amounts owed to group undertakings	2,242	-
Payments received on account	25,909	23,834
Other creditors	33,772	30,880
	<u>2,665,948</u>	<u>56,952</u>
9 Creditors amounts falling due after more than one year	2011	2010
	£	£
Bank loans	-	2,600,000
	<u>-</u>	<u>2,600,000</u>
Analysis of loans		
Wholly repayable within five years	2,600,000	2,600,000
Included in current liabilities	(2,600,000)	-
	<u>-</u>	<u>2,600,000</u>

The loan facility dated 29 September 2006 is repayable by a single payment in 5 years and interest is calculated at 1 10% over the bank base rate. At the year end the rate was 1 60% (2010 1 60%).

The loan is secured by fixed and floating charges over the assets of the company.

On 1 September 2011, the parent company, W & R Buxton Holdings Limited entered into a refinancing arrangement with Barclays Bank PLC whereby the various loans made by the bank to this company, its parent company and its fellow subsidiaries were converted into a single long-term loan facility to W & R Buxton Holdings Limited totalling £29,598,232 secured against the properties in the various companies with a termination date of 22 August 2016. Consequently, since the year end, the bank loan creditor in these financial statements has been converted into a debt due to its parent company.

BUXTON HOMES (SOUTHWARK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2011

10 Share capital	2011 £	2010 £
Allotted, called up and fully paid		
101 Ordinary Shares of 1p each	1	1

11 Statement of movements on reserves

	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 August 2010	1,422,404	1	111,968
Loss for the year	-	-	(10,566)
Revaluation during the year	230,000	-	-
Balance at 31 July 2011	1,652,404	1	101,402

Other reserves

Capital redemption reserve

Balance at 1 August 2010 & at 31 July 2011

1

12 Contingent liabilities

The company is party to group guarantees provided to the bank in respect of borrowings within each company

13 Control

The company is a subsidiary of W & R Buxton Holdings Limited which is the ultimate parent company incorporated in England and Wales

The largest and smallest group in which the results of the company are consolidated is that headed by W & R Buxton Holdings Limited, incorporated in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from Companies House. No other group accounts include the results of the company.

In the opinion of the directors there is no ultimate controlling party.

14 Related party relationships and transactions

The company is a wholly owned subsidiary of W & R Buxton Holdings Limited and has taken advantage of the exemption conferred by the FRSE not to disclose transactions with W & R Buxton Holdings Limited or other wholly owned subsidiaries within the group.