

Company Registration No. 3751909 (England and Wales)

**BUXTON HOMES (SOUTHWARK) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2003**



# **BUXTON HOMES (SOUTHWARK) LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	D.W. Buxton	(Appointed 25 June 2003)
	S.W. Buxton	(Appointed 25 June 2003)

<b>Secretary</b>	G. J. Blackford
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<b>Company number</b>	3751909
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<b>Registered office</b>	Cedar House, 91 High Street Caterham Surrey CR3 5UH
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<b>Auditors</b>	Lawrence Wong & Co 2 Parkfield Gardens Harrow Middlesex HA2 6JR
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<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 2003

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The directors present their report and financial statements for the year ended 31 July 2003.

### 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 2002:

D.W. Buxton	(Appointed 25 June 2003)
S.W. Buxton	(Appointed 25 June 2003)
K. R. Carr	(Resigned 25 June 2003)
P. A. Davies	(Resigned 25 June 2003)

### Directors' interests

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

	Ordinary shares of £ 1 each	
	31 July 2003	1 August 2002
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.

### Directors' responsibilities

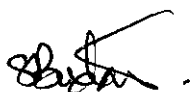
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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 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.

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

27 October 2003

# **BUXTON HOMES (SOUTHWARK) LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE SHAREHOLDERS OF BUXTON HOMES (SOUTHWARK) LIMITED**

We have audited the financial statements of BUXTON HOMES (SOUTHWARK) LIMITED on pages 3 to 9 for the year ended 31 July 2003. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out therein.

#### **Respective responsibilities of the directors and auditors**

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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, 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 transactions with the company 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.

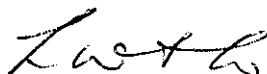
#### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 31 July 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Lawrence Wong & Co**

Chartered Accountants  
**Registered Auditor**

27 October 2003

2 Parkfield Gardens  
Harrow  
Middlesex  
HA2 6JR

# BUXTON HOMES (SOUTHWARK) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2003

		2003 £	2002 £
	Notes		
Turnover		193,875	201,789
Cost of sales		(48,945)	(40,345)
<b>Gross profit</b>		<b>144,930</b>	<b>161,444</b>
Administrative expenses		(4,593)	(5,204)
<b>Operating profit</b>	<b>2</b>	<b>140,337</b>	<b>156,240</b>
Other interest receivable and similar income		40	-
Interest payable and similar charges		(91,302)	(101,577)
<b>Profit on ordinary activities before taxation</b>		<b>49,075</b>	<b>54,663</b>
Tax on profit on ordinary activities	<b>3</b>	(13,953)	(2,710)
<b>Profit on ordinary activities after taxation</b>	<b>10</b>	<b>35,122</b>	<b>51,953</b>

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

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

# BUXTON HOMES (SOUTHWARK) LIMITED

## BALANCE SHEET AS AT 31 JULY 2003

	Notes	2003 £	2002 £
<b>Fixed assets</b>			
Tangible assets	4 and 5	2,809,077	2,811,797
<b>Current assets</b>			
Debtors	6	-	56,580
Cash at bank and in hand		12,456	19,942
		<u>12,456</u>	<u>76,522</u>
<b>Creditors: amounts falling due within one year</b>	7	<u>(1,046,037)</u>	<u>(1,071,395)</u>
<b>Net current liabilities</b>		<u>(1,033,581)</u>	<u>(994,873)</u>
<b>Total assets less current liabilities</b>		1,775,496	1,816,924
<b>Creditors: amounts falling due after more than one year</b>	8	<u>(1,539,286)</u>	<u>(1,615,838)</u>
		<u>236,210</u>	<u>201,086</u>
<b>Capital and reserves</b>			
Called up share capital	9	2	2
Revaluation reserve	10	192,404	192,404
Profit and loss account	10	43,804	8,680
<b>Shareholders' funds - equity interests</b>	11	<u>236,210</u>	<u>201,086</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.

The financial statements were approved by the Board on 27 October 2003

  
S.W. Buxton  
Director

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2003

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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 Turnover

Turnover represents rents receivable and excludes value added tax.

#### 1.3 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 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 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 assets to be depreciated. In the opinion of the directors compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

#### 1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the 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

	2003	2002
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	3,026	3,933
Auditors' remuneration	1,288	823



# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2003

3 Taxation	2003	2002
	£	£
<b>Domestic current year tax</b>		
U.K. corporation tax	14,886	2,710
Adjustment for prior years	(933)	-
	<hr/>	<hr/>
<b>Current tax charge</b>	13,953	2,710
	<hr/> <hr/>	<hr/> <hr/>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	49,075	54,663
	<hr/> <hr/>	<hr/> <hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00 % (2002 : 30.00 %)	14,723	16,399
	<hr/>	<hr/>
Effects of:		
Depreciation add back	908	1,180
Capital allowances	(745)	(1,888)
Tax losses utilised	-	(12,981)
Adjustments to previous periods	(933)	-
	<hr/>	<hr/>
	(770)	(13,689)
	<hr/>	<hr/>
<b>Current tax charge</b>	13,953	2,710
	<hr/> <hr/>	<hr/> <hr/>
4 Tangible fixed assets		
		<b>Fixtures, fittings &amp; equipment £</b>
<b>Cost or valuation</b>		
At 1 August 2002		15,730
Additions		306
		<hr/>
At 31 July 2003		16,036
		<hr/>
<b>Depreciation</b>		
At 1 August 2002		3,933
Charge for the year		3,026
		<hr/>
At 31 July 2003		6,959
		<hr/>
<b>Net book value</b>		
At 31 July 2003		9,077
		<hr/> <hr/>
At 31 July 2002		11,797
		<hr/> <hr/>

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2003

### 5 Tangible fixed assets

	Investment properties £
<b>Cost or valuation</b>	
At 1 August 2002 & at 31 July 2003	2,800,000

The valuations of investment properties were made as at 4 July 2001 by Messrs Chesterton, Chartered Surveyors, on an open market basis. 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.

6 Debtors	2003 £	2002 £
Other debtors and prepayments	-	56,580

7 Creditors: amounts falling due within one year	2003 £	2002 £
Bank loans and overdrafts	60,000	60,000
Taxation and social security	14,886	2,710
Other creditors and accruals	971,151	1,008,685
	<u>1,046,037</u>	<u>1,071,395</u>

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

# BUXTON HOMES (SOUTHWARK) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2003

8 Creditors: amounts falling due after more than one year	2003 £	2002 £
Bank loans	1,539,286	1,615,838
<b>Analysis of loans</b>		
Wholly repayable within five years	1,599,286	1,675,838
Included in current liabilities	(60,000)	(60,000)
	1,539,286	1,615,838
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	60,000	60,000
In more than two years but not more than five years	180,000	180,000
In more than five years	1,299,286	1,375,838

The bank loan is secured by a fixed and floating charge over the assets of the company. The loan facility was dated 24.07.01 and is repayable over 20 years and interest is calculated at 1.6% over the bank base rate. The interest is covered by a Base rate swap taken by a connected company to cover interest fluctuation.

9 Share capital	2003 £	2002 £
<b>Authorised</b>		
100 Ordinary shares of £ 1 each	100	100
<b>Allotted, called up and fully paid</b>		
2 Ordinary shares of £ 1 each	2	2

10 Statement of movements on reserves	Revaluation reserve £	Profit and loss account £
Balance at 1 August 2002	192,404	8,682
Retained profit for the year	-	35,122
Balance at 31 July 2003	192,404	43,804

# **BUXTON HOMES (SOUTHWARK) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2003**

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<b>11 Reconciliation of movements in shareholders' funds</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	35,122	51,953
Opening shareholders' funds	201,086	149,133
	<hr/>	<hr/>
Closing shareholders' funds	236,210	201,086
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