

**Castle Village Investments Limited**

**Directors' report and financial statements**

**31 October 2002**

**Registered Number: 03870595**



A12  
COMPANIES HOUSE

\*AMNUNKT2\*

0889  
10/05/03

# Castle Village Investments Limited

## Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report	3
Balance sheet	4
Notes to the accounts	5

# Castle Village Investments Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 October 2002.

### Principal activities

The company was set up to acquire the freehold of a site known as the Mansion House, Berkhamsted. The freehold is subject to a development lease to a fellow subsidiary company, Ward Homes (North Thames) Limited, under which all the income from the site is for the benefit of Ward Homes (North Thames) Limited. The directors will continue to seek opportunities for the company.

### Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend.

The profit for the period to be transferred to reserves is £ nil (2001 : £nil).

### Directors and directors' interests

The directors who held office during the period were as follows:

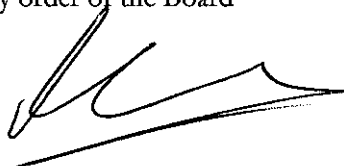
P.D. Holliday O.B.E.  
M.R. Lethaby

Mr P.D. Holliday and Mr M.R. Lethaby are directors of the company's ultimate parent company, Ward Homes Group Limited and, accordingly, particulars of their interests in the shares of that company are included in the directors' report of Ward Homes Group Limited.

### Auditors

A resolution to reappoint Deloitte & Touche as auditors will be proposed at the forthcoming Annual General Meeting.

By order of the Board



**M.R. Lethaby**  
**Secretary**

26 February 2003

# Castle Village Investments Limited

## Statement of Directors' Responsibilities

United Kingdom company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of that period and of the profit or loss 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;
- state whether applicable accounting standards have been followed; and
- 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 maintaining 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 the system of internal control, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent Auditors' Report to the Members of Castle Village Investments Limited**

We have audited the financial statements of Castle Village Investments Limited for the year ended 31 October 2002 which comprise the balance sheet and the related notes 1 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 directors and auditors**

As described in the statement of directors' responsibilities, the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

### **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 October 2002 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche  
Chartered Accountants and Registered Auditors  
London  
27 February 2003

# Castle Village Investments Limited

## Balance Sheet

as at 31 October 2002

	Note	2002	2001
		£	£
<b>Fixed assets</b>	4	1	1
<b>Current assets</b>			
Debtors	5	<u>1</u>	<u>1</u>
		1	1
<b>Creditors: amount falling due within one year</b>	6	<u>(1)</u>	<u>(1)</u>
<b>Net current assets</b>		<u>-</u>	<u>-</u>
<b>Net assets</b>		<u>1</u>	<u>1</u>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Profit and loss account		-	-
<b>Shareholders' funds</b>	8	<u>1</u>	<u>1</u>

These financial statements were approved by the Board of Directors on the 26 February 2003 and were signed on its behalf by:



M.R. Lethaby

# Castle Village Investments Limited

## Notes to the accounts

For the year ended 31 October 2002

### 1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

#### *Basis of preparation*

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

#### *Fixed assets*

Freehold land is held at historical cost.

### 2. Profit and Loss

The company did not trade during the period and made neither profit nor loss, nor any other recognised gains or losses. Accordingly there is no charge to corporation tax for the period.

### 3. Remuneration of directors and auditors

Directors' emoluments and auditors' remuneration were borne by the parent company in the current year. The company has no direct employees.

### 4. Fixed assets

The company owns the freehold of a site known as the Mansion House, Berkhamsted.

### 5. Debtors

	2002 £	2001 £
Amounts owed by group undertakings	<u>1</u>	<u>1</u>

### 6. Creditors: amounts falling due within one year

	2002 £	2001 £
Amount owed to group undertakings	<u>1</u>	<u>1</u>

# Castle Village Investments Limited

## Notes to the accounts (*continued*)

For the year ended 31 October 2002

### 7. Share Capital

	2002 £	2001 £
<i>Authorised:</i>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
<i>Allotted and called up:</i>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>

### 8. Reconciliation of movements in shareholder's funds

	2002 £	2001 £
Result for the financial year	-	-
Issue of ordinary share capital	-	1
Opening shareholder's funds	1	-
Closing shareholder's funds	<u>1</u>	<u>1</u>

### 9. Contingent liabilities

The company is party to a multilateral guarantee secured by fixed and floating charges in respect of amounts due on bank loans and overdrafts by Ward Homes Group Limited and its subsidiaries up to a maximum of £61.3m of which £46.8m was outstanding as at 31 October 2002.

### 10. Ultimate parent company

The company is a subsidiary undertaking of Ward Holdings Limited. Its ultimate parent is Ward Homes Group Limited (formerly Kealoha II Limited), registered in England and Wales, which is the parent undertaking of the largest group which includes the company and for which group financial statements are prepared. The parent undertaking of the smallest such group is Ward Holdings Limited, registered in England and Wales.

Copies of the group financial statements of Ward Homes Group Limited and Ward Holdings Limited can be obtained from 2 Ash Tree Lane, Chatham, Kent.

### 11. Statement on related party transactions

The company is exempt from the requirements of the Financial Reporting Standard 8 ("Related Party Disclosures") insofar as it refers to transactions with fellow group companies, as it is a wholly-owned subsidiary of Ward Homes Group Limited.