

**Company Registration No. 04023476**

**04023472**

**Countrywide Homes (Midlands)  
Limited  
Report and Financial Statements**

**30 June 2007**

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# **Countrywide Homes (Midlands) Limited**

## **Report and financial statements 2007**

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# **Countrywide Homes (Midlands) Limited**

## **Report and financial statements 2007**

### **Officers and professional advisers**

#### **Directors**

J G Downer  
PA King

#### **Secretary**

J C Downer

#### **Registered office**

Norwich House  
45 Poplar Road  
Solihull  
West Midlands  
B91 3AN

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
Birmingham  
United Kingdom

# Countrywide Homes (Midlands) Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2007

The directors' report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

### Activities

The company's principal activity is that of dealing in land and buildings, either as an agent or principal

The company has not traded in the year and the directors are seeking further opportunities for this company

### Results and Dividends

The profit and loss account is set out on page 5 and shows the profit for the year The directors paid a dividend of £nil in the year (2006 - £160,000)

### Directors

The directors of the company during the year and their interests in the ordinary share capital of the company were

	2007	2006
J G Downer	-	-
P A King	-	-

None of the directors held any shares in the company J G Downer's shareholding in the parent company are disclosed in the accounts of that company No other director held any shares in the parent company

### Auditors

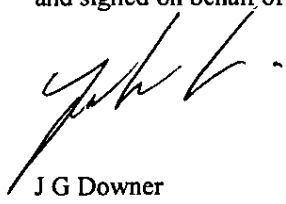
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

Deloitte & Touche LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



J G Downer  
Director

29 April 2008

# **Countrywide Homes (Midlands) Limited**

## **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK 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 keeping proper accounting records that 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.

## **Independent auditors' report to the members of Countrywide Homes (Midlands) Limited**

We have audited the financial statements of Countrywide Homes (Midlands) for the year ended 30 June 2007 which comprise profit and loss account, the balance sheet and the related notes 1 to 15. 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 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 judgments 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 June 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*Deloitte & Touche LLP*

Chartered Accountants and Registered Auditors  
Birmingham, United Kingdom

*29 Apr 2008*

## Countrywide Homes (Midlands) Limited

### Profit and loss account Year ended 30 June 2007

	Note	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
Turnover	2	-	-
Cost of sales		-	(38,284)
<b>Gross loss</b>		-	(38,284)
Administrative income/(expenses)		4,711	(1,000)
<b>Operating profit/(loss)</b>	3	4,711	(39,284)
Interest receivable and similar income	5	1,073	30,826
Interest payable and similar charges	6	(4,578)	(58)
<b>Profit/(loss) on ordinary activities before taxation</b>		1,206	(8,516)
Tax on profit/(loss) on ordinary activities	7	9,370	3,918
<b>Profit/(loss) on ordinary activities after taxation for the financial year/period</b>	12	10,576	(4,598)

All amounts relate to continuing activities

All recognised gains and losses in the current and prior year are included in the profit and loss account therefore no statement of recognised gains and losses has been prepared

There are no movements in shareholders' funds in the current and prior year apart from the profit/(loss) for the year/period and dividend paid in the prior period (note 13)

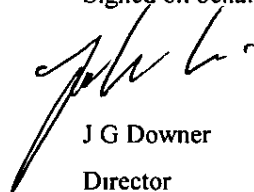
# Countrywide Homes (Midlands) Limited

## Balance Sheet 30 June 2007

	Note	2007 £	2006 £
<b>Current assets</b>			
Debtors	9	1,468,048	1,314,964
Cash at bank and in hand		4,589	179,100
		<u>1,472,637</u>	<u>1,494,064</u>
<b>Creditors: amounts falling due within one year</b>	10	<u>(507,597)</u>	<u>(539,600)</u>
<b>Net current assets</b>		<u>965,040</u>	<u>954,464</u>
<b>Net assets</b>		<u>965,040</u>	<u>954,464</u>
<b>Capital and reserves</b>			
Called up share capital	11	1,000	1,000
Profit and loss account	12	964,040	953,464
<b>Total shareholders' funds</b>	13	<u>965,040</u>	<u>954,464</u>

These financial statements were approved by the Board of Directors on 29 April 2008

Signed on behalf of the Board of Directors



J G Downer  
Director



# Countrywide Homes (Midlands) Limited

## Notes to the accounts Year ended 30 June 2007

### 1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

#### Turnover

Turnover represents the invoiced value of work done less value added tax. Turnover from Land sales is recognised on completion.

#### Cash flow statement

The company has taken advantage of the exemption from the requirement to prepare a cash flow statement included in FRS 1 for subsidiary undertakings where consolidated financial statements in which the subsidiary undertakings are included are publicly available.

#### Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided at the anticipated tax rates on timing differences arising from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements to the extent that it is probable that a liability or asset will crystallise in the future. Deferred tax assets and liabilities are not discounted.

### 2. Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

### 3. Operating profit/(loss)

	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
<b>Operating profit/(loss) is after charging</b>		
Auditor remuneration – fees payable to the company's auditors for the audit of the company's annual accounts	1,000	1,000

Non audit fees in relation to tax services are borne by a fellow group company. The company's allocation of this is £1,000 (2006: £1,000).

### 4. Employees

There are no employees other than the directors in the current period or previous year. The directors are remunerated by another group company and it is considered that an insignificant proportion of their time is spent in dealing with the affairs of the company and it is impracticable to allocate their salary between the group companies.

# Countrywide Homes (Midlands) Limited

## Notes to the accounts Year ended 30 June 2007

### 5. Interest receivable and similar income

	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
Bank deposits	<u>1,073</u>	<u>30,826</u>

### 6. Interest payable and similar charges

	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
Bank loans, overdrafts	-	58
Other interest	4,578	-
	<u>4,578</u>	<u>58</u>

### 7. Dividends

	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
Final dividend of nil pence per ordinary share (2006 – 160p)	-	160,000
	<u>-</u>	<u>160,000</u>

# Countrywide Homes (Midlands) Limited

## Notes to the accounts Year ended 30 June 2007

### 8. Tax on profit/(loss) on ordinary activities

	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
<b>Current tax</b>		
UK corporation tax	-	(1,820)
Group relief	8,010	-
<b>Adjustment in respect of previous years</b>		
UK Corporation tax	1,360	44,974
Group relief	-	(39,236)
Taxation on profit/(loss) on ordinary activities	<u>9,370</u>	<u>3,918</u>

The tax assessed on the profit/(loss) on ordinary activities for the prior year is equal to the standard rate of corporation tax in the U K. The prior year differences are explained below

	Year ended 30 June 2007 £	11 months ended 30 June 2006 £
Profit/(loss) on ordinary activities before tax	<u>1,206</u>	<u>(8,516)</u>
Tax on ordinary activities at the standard rate of corporation tax in the UK of 30% (2006 – 30%)	(362)	2,555
Effect of		
Transfer pricing adjustment	8,372	(5,426)
Marginal relief	-	1,051
Prior period adjustments	1,360	44,974
Group relief	-	(39,236)
Current tax credit/(charge) for year/period	<u>9,370</u>	<u>3,918</u>

In March 2007 the UK Government announced that they would introduce legislation that would reduce the corporation tax to 28% with effect from 1 April 2008. This legislation was substantively enacted in June 2007. In addition the effective tax rate for the period to 30 June 2008 is expected to reduce accordingly.

# Countrywide Homes (Midlands) Limited

## Notes to the accounts Year ended 30 June 2007

### 9. Debtors

	2007 £	2006 £
Other debtors	35,861	23,861
Loans to related undertakings	1,395,103	1,291,103
Corporation tax	29,074	-
Group relief	8,010	-
	<u>1,468,048</u>	<u>1,314,964</u>

### 10 Creditors: amounts falling due within one year

	2007 £	2006 £
Loans from related undertakings	465,085	295,080
Group relief	39,236	39,236
Corporation tax	3,276	200,984
Accruals	-	4,300
	<u>507,597</u>	<u>539,600</u>

### 11. Called up share capital

	2007 £	2006 £
Authorised, allotted and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 12. Reserves

	Profit and loss account £
At 1 July 2006	953,464
Retained profit for the period	10,576
Balance at 30 June 2007	<u>964,040</u>

## Countrywide Homes (Midlands) Limited

### Notes to the accounts Year ended 30 June 2007

#### 13. Reconciliation of movements in shareholders' funds

	2007 £	2006 £
Profit/(loss) for the financial year/period	10,576	(4,598)
Dividends paid	-	(160,000)
Net addition/(reduction) to shareholders' funds	10,576	(164,598)
Opening shareholders' funds	954,464	1,119,062
Closing shareholders' funds	965,040	954,464

#### 14. Related party disclosures

The Company has taken advantage of the exemption granted within Financial Reporting Standard Number 8, which does not require the disclosure of transactions between a subsidiary undertaking and other group undertakings, as more than 90% of the Company's voting rights are controlled within the group

Within other debtors there is a loan of £35,861 (2006 £23,861) due from J G Downer, a director of the company

#### 15. Ultimate controlling party

The immediate and ultimate parent company is Countrywide Property Holdings Plc a company incorporated within the United Kingdom in which the results of this company are consolidated. Copies of their financial statements are available from Norwich House, 45 Poplar Road, Solihull, B91 3AW. The ultimate controlling party is J G Downer.