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# COMPANIES HOUSE COPY

**Beeches Two (Eardisley) Limited**

Report and Financial Statements

Year Ended

31 December 2004



**BDO**

BDO Stoy Hayward  
Chartered Accountants

# **Beeches Two (Eardisley) Limited**

## **Annual report and financial statements for the year ended 31 December 2004**

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### **Director**

Beeches Two Limited

### **Secretary and registered office**

Capital Ventures Limited, Whittington Hall, Whittington Road, Worcester, WR5 2ZX

### **Company number**

04639207

### **Auditors**

BDO Stoy Hayward LLP, 125 Colmore Row, Birmingham, B3 3SD

## **Beeches Two (Eardisley) Limited**

### **Report of the director for the year ended 31 December 2004**

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The director presents its report together with the audited financial statements for the year ended 31 December 2004.

#### **Results and dividends**

The profit and loss account is set out on page 5 and shows the profit for the year.

The director does not propose payment of a dividend.

#### **Principal activities, review of business and future developments**

The company's principal activity is to purchase land and either develop selected building sites or build properties for private housing.

#### **Director**

The director of the company during the year and its interest in the ordinary share capital of the company was:

	<b>31 December 2004</b>	<b>31 December 2003</b>
Beeches Two Limited	1	1

#### **Director's responsibilities**

Company law requires the director 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 year. In preparing those financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is 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.

**Beeches Two (Eardisley) Limited**

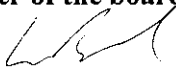

**Report of the director for the year ended 31 December 2004 (*Continued*)**

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**Auditors**

BDO Stoy Hayward LLP were appointed as auditors during the year and have expressed their willingness to continue in office. A resolution to re-appoint them will be proposed at the annual general meeting.

**By order of the board**

  
Capital Ventures Limited 

**Capital Ventures Limited**

26 May 2005

## **Beeches Two (Eardisley) Limited**

### **Report of the independent auditors**

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#### **To the shareholders of Beeches Two (Eardisley) Limited**

We have audited the financial statements of Beeches Two (Eardisley) Limited for the year ended 31 December 2004 on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

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

The director's responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Director's Responsibilities.

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 Director's 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 director's remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

#### *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 director 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.

**Beeches Two (Eardisley) Limited**

**Report of the independent auditors (*Continued*)**

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*Opinion*

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2004 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*BDO Stoy Hayward LLP*

**BDO STOY HAYWARD LLP**

*Chartered Accountants  
and Registered Auditors  
Birmingham*

31 May 2005

**Beeches Two (Eardisley) Limited****Profit and loss account for the year ended 31 December 2004**

	<b>Note</b>	<b>2004 £</b>	<b>2003 £</b>
<b>Turnover</b>	2	324,950	-
Cost of sales		252,721	-
		<hr/>	<hr/>
<b>Gross profit</b>		72,229	-
Administrative expenses		4,533	471
		<hr/>	<hr/>
<b>Operating profit/(loss)</b>	3	67,696	(471)
Other interest receivable and similar income		176	-
Interest payable and similar charges	5	(34,402)	(27,773)
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities before taxation</b>		33,470	(28,244)
Taxation on profit/(loss) on ordinary activities	6	(10,041)	8,473
		<hr/>	<hr/>
<b>Profit/(loss) on ordinary activities after taxation</b>		23,429	(19,771)
Accumulated loss brought forward		(19,771)	-
		<hr/>	<hr/>
<b>Retained profit/(accumulated loss) carried forward</b>		3,658	(19,771)
		<hr/>	<hr/>

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.

The notes on pages 7 to 10 form part of these financial statements.

**Beeches Two (Eardisley) Limited**

**Balance sheet at 31 December 2004**

	Note	2004 £	2004 £	2003 £	2003 £
<b>Current assets</b>					
Stocks	7	2,821,216		1,153,354	
Debtors	8	1,102		8,555	
		2,822,318		1,161,909	
<b>Creditors: amounts falling due within one year</b>	9	2,818,659		620,679	
<b>Total assets less current liabilities</b>			3,659		541,230
<b>Creditors: amounts falling due after more than one year</b>	10		-		561,000
			3,659		(19,770)
<b>Capital and reserves</b>					
Called up share capital	11		1		1
Profit and loss account			3,658		(19,771)
<b>Equity shareholders' funds</b>	12		3,659		(19,770)

The financial statements were approved by the director on 26 May 2005.



**P London**

**For and on behalf of Beeches Two Limited**

The notes on pages 7 to 10 form part of these financial statements.



**1 Accounting policies**

The financial statements have been prepared under the historical cost convention.

The following principal accounting policies have been applied:

*Turnover*

Turnover represents the value of property sales and is stated before deduction of selling expenses. Sales are recognised only when contracts have been exchanged.

*Work in progress*

Work in progress is valued at the lower of cost and net realisable value. No credit is taken for attributable profit until contracts for sale have been exchanged. On exchange of contracts, cost plus attributable profit is treated as a sales reserve and is included in debtors.

*Related party disclosure*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8, 'Related party disclosures', not to disclose transactions with members or investees of the group headed by Beeches Two Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

*Cash flow statement*

The company has taken advantage of the exemption conferred by Financial Reporting Standard 1 'Cash Flow Statements (Revised 1996)' not to prepare a cash flow statement on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Beeches Two Limited and the company is included in consolidated financial statements.

**2 Turnover**

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

**3 Operating profit/(loss)**

Amounts payable in respect of audit services are borne by Beeches Two Limited, the company's ultimate parent undertaking.

**4 Employees**

At 31 December 2004 the company had no employees (2003 - nil).

**Beeches Two (Eardisley) Limited**Notes forming part of the financial statements for the year ended 31 December 2004 (*Continued*)**5 Interest payable and similar charges**

	2004 £	2003 £
Loans from group companies	34,402	27,773

**6 Taxation on profit/(loss) on ordinary activities**

	2004 £	2003 £
<i>UK Corporation tax</i>		
Current tax on profits of the year	10,041	(8,473)

The current tax for the period is at the standard rate of corporation tax in the UK of 30%.

	2004 £	2003 £
Profit/(loss) on ordinary activities before tax	33,470	(28,244)
Profit/(loss) on ordinary activities at the standard rate of corporation tax in the UK of 30% (2003 - 30%)	10,041	(8,473)
Current tax charge for period	10,041	(8,473)

**7 Stocks**

	2004 £	2003 £
Work in progress	2,821,216	1,153,354

There is no material difference between the replacement cost of stocks and the amounts stated above.

**Beeches Two (Eardisley) Limited**

**Notes forming part of the financial statements for the year ended 31 December 2004 (Continued)**

**8 Debtors**

	2004 £	2003 £
Corporation tax recoverable	-	8,473
Other debtors	1,102	82
	<u>1,102</u>	<u>8,555</u>

All amounts shown under debtors fall due for payment within one year.

**9 Creditors: amounts falling due within one year**

	2004 £	2003 £
Trade creditors	1,697,675	166,185
Amounts owed to group undertakings	975,464	447,656
Taxation and social security	10,041	-
Accruals and deferred income	135,479	6,838
	<u>2,818,659</u>	<u>620,679</u>

**10 Creditors: amounts falling due after more than one year**

	2004 £	2003 £
Amounts owed to group undertakings	-	561,000

**11 Share capital**

	2004 £	Authorised 2003 £	Allotted, called up and fully paid 2004 £	2003 £
<i>Equity share capital</i>				
Ordinary share of £1 each	1	1	1	1

## Beeches Two (Eardisley) Limited

### Notes forming part of the financial statements for the year ended 31 December 2004 (*Continued*)

#### 12 Reconciliation of movements in shareholder's funds

	2004 £	2003 £
Profit/(loss) for the year	23,429	(19,771)
Issue of shares	-	1
	<hr/>	<hr/>
Net additions to/(deductions from) shareholder's funds	23,429	(19,770)
Opening shareholder's funds	(19,770)	-
	<hr/>	<hr/>
Closing shareholder's funds	3,659	(19,770)
	<hr/>	<hr/>

#### 13 Related party disclosures

The company has taken advantage of the exemption conferred by Financial Reporting Standard 8 "Related party disclosures" not to disclose transactions with members of the group headed by Beeches Two Limited on the grounds that at least 90% of the voting rights in the company are controlled within that group and the company is included in consolidated financial statements.

##### *Related party transactions and balances*

Messrs AJ Bruckland and PJ Underhill are directors of the ultimate parent company, Beeches Two Limited.

During the year, the company paid construction costs of £1,764,590 (2003 - £166,185) to Old Mill Construction plc of which Messrs AJ Bruckland and PJ Underhill have an interest. At the year end the balance due to Old Mill Construction plc was £1,697,675 (2003 - £166,185).

#### 14 Ultimate parent company and parent undertaking of larger group

The company's ultimate parent undertaking is Beeches Two Limited, which is registered in England and Wales.

Copies of the financial statements of Beeches Two Limited may be obtained from Whittington Hall, Whittington Road, Worcester, WR5 2ZX.