

Company Registration Number 04878464



**Redeham Homes Southern Limited**

**Annual report**

**30 April 2012**

# **Redeham Homes Southern Limited**

## **Annual report**

**Year ended 30 April 2012**

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# **Redeham Homes Southern Limited**

## **Company information**

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**The director**

R Kell

**Registered office**

Redeham Hall  
137 Redeham Road  
Burstow  
Surrey  
RH6 9RJ

**Auditor**

Chantrey Vellacott DFK LLP  
Chartered Accountants  
Statutory Auditor  
Russell Square House  
10 - 12 Russell Square  
London  
WC1B 5LF

**Bankers**

Royal Bank of Scotland  
280 Bishopsgate  
London  
EC2M 4RB

**Solicitors**

GCL Solicitors LLP  
Connaught House  
Alexandra Terrace  
Guildford  
Surrey  
GU1 3DA

# **Redeham Homes Southern Limited**

## **Director's report**

### **Year ended 30 April 2012**

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The director has pleasure in presenting his report and the audited financial statements of the company for the year ended 30 April 2012

#### **Principal activities and business review**

The principal activity of the company during the year was that of property development

#### **Going concern**

After making enquiries, the Director has formed a judgement that, as at the date of approving the financial statements, there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Director has adopted the going concern basis in preparing the accounts

#### **Business Review**

The Company's overall objective is to deliver shareholder value, through profitable contract work, whilst managing risk carefully through prudent management of all aspects of the business (building, environmental, health & safety, legal and financial)

The Company's principal business risks are (1) loss making contracts arising from poor estimating or execution, (2) legal claims arising from poor execution and (3) financial loss arising from poor administration

To address these risks, the Company carries out regular review of their pricing models as well as review overhead costs on a monthly basis. In addition, significant attention and time is placed on the implementation and monitoring of policies, procedures and controls to safeguard the Company's assets

Although market conditions are challenging the Company is not experiencing any fundamental market or technology changes to which it may be unable to adapt. Neither is it subject to any externally forced reduction in operations as a consequence of law or regulation, albeit health & safety, quality and environmental issues provide a continuing challenge

During the year, the company continued to perform well despite a challenging economic environment and the reduction in volumes. Although turnover decreased from the prior year to £1,613,232, profit before tax was a satisfactory £47,179

#### **Results and dividends**

The profit for the year, after taxation, amounted to £38,860. The director has not recommended a dividend

#### **Financial risk management objectives and policies**

##### **Directors**

The directors who served the company during the year were as follows

R Kell	(Appointed 16 February 2012)
M Bailey	(Resigned 17 February 2012)

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

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director 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 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,

# Redeham Homes Southern Limited

## Director's report (continued)

Year ended 30 April 2012

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- 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 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 him to ensure that the financial statements comply with the Companies Act 2006. He 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.

Insofar as the director is aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Donations

During the year the company made the following contributions

	2012 £	2011 £
Charitable	<u>2,000</u>	<u>50</u>

### Auditor

Chantrey Vellacott DFK LLP have been appointed as auditors for the ensuing year in accordance with section 485 of the Companies Act 2006.

Signed by

R Kell  
Director



Approved by the director on 15/04/13

## **Redeham Homes Southern Limited**

### **Independent auditor's report to the shareholders of Redeham Homes Southern Limited**

**Year ended 30 April 2012**

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We have audited the financial statements of Redeham Homes Southern Limited for the year ended 30 April 2012 which comprise the profit and loss account, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of director and auditor**

As explained more fully in the director's responsibilities statement set out on pages 2 to 3, the director is 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 directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual 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 30 April 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

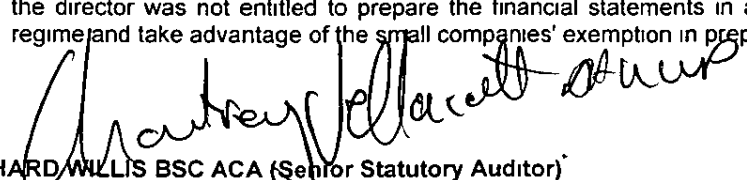
#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **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 director's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the director was 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 director's report.

  
RICHARD WILLIS BSC ACA (Senior Statutory Auditor)  
for and on behalf of CHANTREY VELLACOTT DFK LLP  
Chartered Accountants and Statutory Auditor  
London

20/2/2012

**Redeham Homes Southern Limited****Profit and loss account****Year ended 30 April 2012**

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	Note	2012 £	2011 £
Turnover	2	1,613,232	10,535,503
Cost of sales		1,357,508	9,596,924
<b>Gross profit</b>		<b>255,724</b>	<b>938,579</b>
Administrative expenses		528,391	916,897
Other operating income	3	(320,000)	(677,000)
<b>Operating profit</b>	4	<b>47,333</b>	<b>698,682</b>
Interest receivable		1	2
Interest payable and similar charges	6	(155)	(329)
<b>Profit on ordinary activities before taxation</b>		<b>47,179</b>	<b>698,355</b>
Tax on profit on ordinary activities	7	8,319	184,472
<b>Profit for the financial year</b>		<b>38,860</b>	<b>513,883</b>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

There is no difference between the results shown above and their historical cost equivalents

**The notes on pages 7 to 12 form part of these financial statements**

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# Redeham Homes Southern Limited

## Balance sheet

As at 30 April 2012

	Note	2012 £	2011 £
<b>Current assets</b>			
Stocks	8	322,731	—
Debtors	9	4,003,754	4,451,847
Cash at bank		—	134,851
		<u>4,326,485</u>	<u>4,586,698</u>
<b>Creditors amounts falling due within one year</b>	10	<u>1,889,422</u>	<u>2,188,495</u>
<b>Net current assets</b>		<u>2,437,063</u>	<u>2,398,203</u>
<b>Total assets less current liabilities</b>		<u>2,437,063</u>	<u>2,398,203</u>
<b>Capital and reserves</b>			
Called up equity share capital	12	328,593	328,593
Profit and loss account	13	2,108,470	2,069,610
<b>Shareholders' funds</b>	14	<u>2,437,063</u>	<u>2,398,203</u>

These financial statements were approved and signed by the director and authorised for issue on 15/04/13



R Kell

Company Registration Number 04878464

The notes on pages 7 to 12 form part of these financial statements



# Redeham Homes Southern Limited

## Notes to the financial statements

Year ended 30 April 2012

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### 1 Accounting policies

#### Basis of accounting

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

#### Cash flow statement

The director has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement

#### Turnover

Construction turnover is calculated by way of an external valuation of the value of work performed in the period. Cost recharged are based on costs incurred and recognised when they are recharged

Sundry income represents net invoiced sales of goods, excluding value added tax and is recognised when the work is completed

#### Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress

#### Operating lease agreements

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

#### Post retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate

#### Deferred taxation

Deferred tax is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

### 2 Turnover

The turnover and profit before tax are attributable to the one principal activity of the company

An analysis of turnover is given below

	2012 £	2011 £
United Kingdom	<u>1,613,232</u>	<u>10,535,503</u>

# Redeham Homes Southern Limited

## Notes to the financial statements

Year ended 30 April 2012

### 3 Other operating income

	2012 £	2011 £
Management charges receivable	<u>320,000</u>	<u>677,000</u>

### 4 Operating profit

Operating profit is stated after charging

	2012 £	2011 £
Auditor's remuneration		
- as auditor	21,000	7,331
Operating lease costs		
- Other	<u>20,308</u>	<u>35,097</u>

The director has not received any remuneration in the year

### 5 Particulars of employees

The average number of staff, including executive directors, employed by the company during the financial year can be analysed as follows

	2012 No	2011 No
Production	3	18
Administrative	5	-
Management	1	1
	<u>9</u>	<u>19</u>

The aggregate payroll costs of the above were

	2012 £	2011 £
Wages and salaries	287,721	555,982
Social security costs	37,215	64,852
Other pension costs	20,454	38,820
	<u>345,390</u>	<u>659,654</u>

**Redeham Homes Southern Limited****Notes to the financial statements****Year ended 30 April 2012**

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**6 Interest payable and similar charges**

	2012 £	2011 £
Interest payable on bank borrowing	<u>155</u>	<u>329</u>

**7 Taxation on ordinary activities****(a) Analysis of charge in the year**

	2012 £	2011 £
Current tax		
UK Corporation tax based on the results for the year	<u>8,319</u>	<u>184,472</u>
Total current tax	<u>8,319</u>	<u>184,472</u>

**(b) Factors affecting current tax charge**

The tax assessed on the profit on ordinary activities for the year is at a lower rate than the standard rate of corporation tax in the UK of 25.84% (2011 - 27.84%)

	2012 £	2011 £
Profit on ordinary activities before taxation	<u>47,179</u>	<u>698,355</u>
Profit on ordinary activities multiplied by rate of tax	12,191	192,048
Expenses not deductible for tax purposes	1,432	3,046
Tax chargeable at lower rates	(351)	-
Adjustments to tax charge in respect of previous periods	(1,283)	-
Other short term timing differences	286	2,224
Group relief surrendered / (claimed)	(3,956)	(12,846)
Total current tax (note 7(a))	<u>8,319</u>	<u>184,472</u>

**8 Stocks**

	2012 £	2011 £
Work in progress	<u>322,731</u>	<u>-</u>

# Redeham Homes Southern Limited

## Notes to the financial statements

Year ended 30 April 2012

### 9 Debtors

	2012 £	2011 £
Trade debtors	3,092	9,465
Amounts owed by group undertakings	2,360,281	4,345,579
Amounts owed by related parties	1,493,968	—
Other debtors	131,318	83,343
Prepayments and accrued income	15,095	13,460
	<u>4,003,754</u>	<u>4,451,847</u>

### 10 Creditors amounts falling due within one year

	2012 £	2011 £
Overdrafts	9,428	—
Trade creditors	232,095	516,152
Amounts owed to group undertakings	920,989	543,865
Amounts owed to related parties	25,474	—
Corporation tax	9,602	185,755
Other taxation and social security	10,049	46,588
Other creditors	307,785	656,523
Accruals and deferred income	374,000	239,612
	<u>1,889,422</u>	<u>2,188,495</u>

The overdraft is secured on the various properties held within the Redeham Investments Limited group

# Redeham Homes Southern Limited

## Notes to the financial statements

Year ended 30 April 2012

### 11 Related party transactions

The company is a wholly owned subsidiary of Redeham Homes 2008 Limited, which is in turn an indirect subsidiary of Redeham Investments Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 paragraph 3(c) from disclosing transactions with members of the Redeham Investments Group.

During the year the company entered into the following related party transactions:

	Amounts owed from	Amounts owed to	Sales	Purchases
	£	£	£	£
Coinford Plant Ltd	43	-	3,576	-
Coinford Central Ltd	163	-	-	355,906
Pine Construction Services Ltd	-	-	344	-
Coinford Contracts Ltd	-	-	22,812	-
Coinford Construction Ltd	1,385,714	172	202	-
Boss Services Plant Hire Ltd	2,416	1,360	2,563	-
Coinford Ltd	105,632	23,942	33,614	876
	<u>1,493,968</u>	<u>25,474</u>	<u>63,111</u>	<u>356,782</u>

These are deemed related parties based on the fact that M Hickey and J Hickey, the directors of the ultimate parent company, Redeham Investments Limited, are also directors in the above companies.

During the year, M Hickey and J Hickey received £15,000 each (2011: £nil) for their services as directors to the Redeham Investments Limited group.

### 12 Share capital

#### Authorised share capital

	2012 £	2011 £
328,593 Ordinary shares of £1 each	<u>328,593</u>	<u>328,593</u>

#### Allotted, called up and fully paid

	2012 No	£	2011 No	£
328,593 Ordinary shares of £1 each	<u>328,593</u>	<u>328,593</u>	<u>328,593</u>	<u>328,593</u>

### 13 Profit and loss account

	2012 £	2011 £
Balance brought forward	2,069,610	1,555,727
Profit for the financial year	<u>38,860</u>	<u>513,883</u>
Balance carried forward	<u>2,108,470</u>	<u>2,069,610</u>

# **Redeham Homes Southern Limited**

## **Notes to the financial statements**

**Year ended 30 April 2012**

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### **14 Reconciliation of movements in shareholders' funds**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>38,860</b>	513,883
Opening shareholders' funds	<b>2,398,203</b>	1,884,320
Closing shareholders' funds	<b>2,437,063</b>	2,398,203

### **15 Ultimate parent company**

The ultimate parent company is Redeham Investments Limited a company incorporated in England and Wales