

**Cotswoldgate Faringdon Limited (formerly  
Mandaco 357 Limited)**

**Directors' report and financial  
statements**

**Registered number 04941077**

**30 April 2004**



## Contents

Directors' report	1
Statement of directors' responsibilities	2
Independent auditors' report to the members of Cotswoldgate Faringdon Limited (formerly Mandaco 357 Limited)	3
Profit and loss account	4
Balance sheet	5
Reconciliation of movements in shareholders' funds	6
Notes	7

## Directors' report

The directors present their annual report and the audited financial statements for the period ended 30 April 2004.

### Principal activities and business review

The company was incorporated under the name Mandaco 357 Limited on 22 October 2003. On 19 November 2003 the company changed its name to Cotswoldgate Faringdon Limited, and commenced trading.

The company's principal activity is construction and sale of residential housing.

The results for the year are set out on page 4. The directors are pleased with the company's trading performance in this, its first period of operations, and expect this trend to continue. The results are in line with management's expectations.

### Proposed dividend

The directors do not recommend the payment of a dividend.

### Directors and directors' interests

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

M&A Nominees Limited	appointed on incorporation, resigned 28 October 2003
JS Taylor	appointed 28 October 2003
MJ Taylor	appointed 28 October 2003
SJ Rodden	appointed 28 October 2003
RG Perrill	appointed 28 October 2003
S Faulkner	appointed 10 February 2004
D O'Connor	appointed 10 February 2004

None of the directors who held office during the period had any interest in the ordinary shares of the company.

### Political and charitable contributions

The company made no political or charitable contributions during the period.

### Auditors

KPMG LLP were appointed as auditors during the period.

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

  
**SJ Rodden**  
Company Secretary

Priory House  
Priory Street  
Usk  
NP15 1BJ

 January 2005

## **Statement of 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 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, subject to any material departures disclosed and explained in the financial statements;
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



**KPMG LLP**

Marlborough House  
Fitzalan Road  
Cardiff  
CF24 0TE  
United Kingdom

**Independent auditors' report to the members of Cotswoldgate Faringdon Limited  
(formerly Mandaco 357 Limited)**

We have audited the financial statements on pages 4 to 10.

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 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 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 are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

**Basis of audit opinion**

We conducted our audit in accordance with 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 30 April 2004 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*KPMG LLP*

*Chartered Accountants  
Registered Auditor*

*2016* January 2005

**Profit and loss account**  
*for the period ended 30 April 2004*

	<i>Note</i>	<b>2004 £000</b>
<b>Turnover</b>		-
Cost of sales		-
		<hr/>
<b>Gross profit</b>		-
Administrative expenses		(37)
		<hr/>
<b>Operating loss</b>		(37)
		<hr/>
<b>Loss on ordinary activities before taxation</b>	2	(37)
Tax on loss on ordinary activities	4	11
		<hr/>
<b>Loss on ordinary activities after taxation</b>		(26)
		<hr/>
<b>Loss for the financial period</b>		(26)
		<hr/>
<b>Retained loss for the period</b>		(26)
		<hr/> <hr/>

The results shown above relate wholly to continuing operations.

No other gains and losses have been recognised in these financial statements other than the loss for the financial period shown above. Accordingly, a separate statement of total recognised gains and losses has not been presented.

There is no material difference between the result as disclosed in the profit and loss account and the result on an unmodified historical cost basis.

# **Balance sheet**

*at 30 April 2004*

	<i>Note</i>	<b>2004 £000</b>
<b>Current assets</b>		
Stocks – work in progress	5	580
Debtors	6	63
Cash at bank and in hand		7
		<hr/>
		650
<b>Creditors: amounts falling due within one year</b>	7	<hr/> (676)
<b>Net current liabilities, being net liabilities</b>		<hr/> (26) <hr/>
<b>Capital and reserves</b>		
Called up share capital	8	-
Profit and loss account		(26)
		<hr/>
<b>Deficit on equity shareholders' funds</b>		<hr/> (26) <hr/>

These financial statements were approved by the board of directors on 21<sup>st</sup> January 2005 and were signed on its behalf by:

  
**RG Perrill**  
 Director

**Reconciliation of movements in shareholders' funds**  
*for the period ended 30 April 2004*

	<b>2004</b> <b>£000</b>
<b>Loss for the financial period</b>	<b>(26)</b>
	<hr/>
<b>Net reduction in shareholders' funds</b>	<b>(26)</b>
Opening shareholders' funds	-
	<hr/>
<b>Closing deficit on shareholders' funds</b>	<b>(26)</b>
	<hr/>



## **Notes**

*(forming part of the financial statements)*

### **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 the Companies Act 1985, and under the historical cost accounting rules.

Under Financial Reporting Standard 1 (revised 1996) the company is exempt from the requirement to present a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

The company has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities where more than 90% of the voting rights are held within the group.

The financial statements have been prepared on the going concern basis. The company's funding is sourced from a connected company, Aurelian Property Finance Limited, which has indicated its ongoing support.

#### ***Turnover***

Turnover comprises the sales value of residential properties sold in the period, net of incentives offered on sale. Turnover is recognised when legal completion of each property sale takes place.

#### ***Cost of sales***

Cost of sales includes those elements of land cost, site development and construction expenses, finance costs and attributable costs to complete, apportioned to each residential unit included within the development.

#### ***Work in progress***

Work in progress is stated at the lower of cost and net realisable value, and comprises land, site development and construction costs, and finance costs.

#### ***Taxation***

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19. Deferred tax assets are recognised to the extent that they are regarded as recoverable. They are regarded as recoverable to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

## Notes (continued)

### 2 Loss on ordinary activities before taxation

	2004 £000
<i>Loss on ordinary activities before taxation is stated after charging</i>	
Auditors' remuneration:	
Audit	-
Fees paid to auditors and its associates in respect of other services	-
Management charge payable to Cotswoldgate Limited	35
	<hr/>

Auditors' remuneration was paid by Cotswoldgate Limited.

### 3 Directors and employees

The directors did not receive any emoluments from the company during the period ended 30 April 2004.

The company does not have any employees.

### 4 Taxation

#### *Analysis of tax credit in period*

	2004 £000
<i>UK corporation tax</i>	
Current tax on loss for the period	-
Group relief	11
	<hr/>
Total current tax, being tax on loss on ordinary activities	11
	<hr/>

There is no difference between the effective tax rate and the standard rate of corporation tax of 30%.

**Notes (continued)**

**5 Stocks - work in progress**

	2004 £000
Site development and construction costs	553
Finance costs	27
	<hr/> 580 <hr/>

Directly attributable finance costs in the period totalled £27,000 of which nil has been expensed to the profit and loss account.

**6 Debtors**

	2004 £000
Amounts owed by group undertakings	59
Taxation and social security	4
	<hr/> 63 <hr/>

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

	2004 £000
Operating loans	589
Trade creditors	44
Amounts owed to group undertakings	35
Accruals and deferred income	8
	<hr/> 676 <hr/>

The operating loans are secured against the company's work in progress, and are repayable in stages as each development is completed and sold, and the security discharged.

**Notes (continued)****8 Called up share capital**

	2004 £
<i>Authorised</i>	
Equity: 1,000 Ordinary shares of £1 each	1,000
	<hr/>
<i>Allotted, called up and fully paid</i>	
Equity: 1 Ordinary share of £1	1
	<hr/>

**9 Related party disclosures**

Aurelian Property Finance Limited is a related party by virtue of the companies being under common ownership. The period end balance owing to Aurelian Property Finance Limited in respect of operating loans was £589,000. During the period, interest of £23,000 and fees of £4,000 accrued to Aurelian Property Finance Limited.

**10 Ultimate parent company and parent undertaking of larger group of which the company is a member**

The company is a wholly owned subsidiary undertaking of Cotswoldgate Limited, a company incorporated in England and Wales.

Cotswoldgate Limited is the smallest and largest group for which consolidated financial statements are prepared. The consolidated financial statements of Cotswoldgate Limited are available to the public and may be obtained from Priory House, Priory Street, Usk, NP15 1BJ.

Cotswoldgate Limited is controlled by its directors.