

**Company Registration No. 05075534 (England and Wales)**

**FAIRFAX HOMES (CROYDON) LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**

**SATURDAY**



\*A1IHW9RN\*

A25

29/09/2012

#527

COMPANIES HOUSE

---

**FAIRFAX HOMES (CROYDON) LIMITED**

**COMPANY INFORMATION**

---

<b>Directors</b>	J McCartney D J McCartney
<b>Secretary</b>	K Weaver
<b>Company number</b>	05075534
<b>Registered office</b>	33 Cavendish Square London W1G 0PW
<b>Auditors</b>	Clarkson Hyde LLP 3rd Floor Chancery House St Nicholas Way Sutton Surrey SM1 1JB
<b>Bankers</b>	Barclays Bank plc 43 High Street Sutton Surrey SM1 1DR

---

---

## **FAIRFAX HOMES (CROYDON) LIMITED**

### **CONTENTS**

---

	<b>Page</b>
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7 - 10

---

# **FAIRFAX HOMES (CROYDON) LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2012**

---

The directors present their report and financial statements for the year ended 31 March 2012

#### **Principal activities and review of the business**

The principal activity of the company during the year continued to be that of property development

The company undertook property refurbishment work during the year. As a result of this the company generated a net profit of £40,102

The company's principal business risk is the current state of the housing market

Other than net profit for the year, the company does not monitor any other key performance indicators

#### **Results and dividends**

The results for the year are set out on page 5

The directors do not recommend payment of an ordinary dividend

#### **Directors**

The following directors have held office since 1 April 2011

J McCartney

D J McCartney

#### **Financial instruments**

##### Liquidity risk

The company does not hold any surplus cash. Its borrowing requirements are satisfied by a bank loan and additional funding can be obtained from the parent company if necessary.

##### Credit risk

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary. At 31 March 2012, the company had no outstanding amounts owed by customers.

#### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Clarkson Hyde LLP be reappointed as auditors of the company will be put at a General Meeting.

**FAIRFAX HOMES (CROYDON) LIMITED**

**DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2012**

---

**Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' 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). Under company law the directors 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 these financial statements, the directors are required to

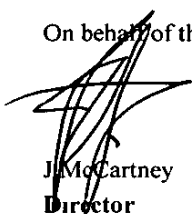
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 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 them to ensure that the financial statements comply with the Companies Act 2006. 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.

**Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



J. McCartney  
Director

27 September 2012

---

## **FAIRFAX HOMES (CROYDON) LIMITED**

### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF FAIRFAX HOMES (CROYDON) LIMITED**

---

We have audited the financial statements of Fairfax Homes (Croydon) Limited for the year ended 31 March 2012 set out on pages 5 to 10. 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 members, 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 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 explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are 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 the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' 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 31 March 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.

#### **Going concern**

In forming our opinion, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the company's reliance on the continuing financial support of J McCartney and the ongoing negotiations to repay certain bank liabilities. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

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

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**FAIRFAX HOMES (CROYDON) LIMITED**

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

**TO THE MEMBERS OF FAIRFAX HOMES (CROYDON) LIMITED**

---

**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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or



**Andrew Seton (Senior Statutory Auditor)**  
for and on behalf of Clarkson Hyde LLP

27 September 2012

**Chartered Accountants**  
**Statutory Auditor**

3rd Floor  
Chancery House  
St Nicholas Way  
Sutton  
Surrey  
SM1 1JB

**FAIRFAX HOMES (CROYDON) LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 31 MARCH 2012**

	Notes	2012 £	2011 £
Turnover	2	845,252	673,000
Cost of sales		(805,150)	(640,804)
Gross profit		40,102	32,196
Profit on ordinary activities before taxation		40,102	32,196
Tax on profit on ordinary activities	3	-	-
Profit for the year	8	40,102	32,196

The profit and loss account has been prepared on the basis that all operations are continuing operations

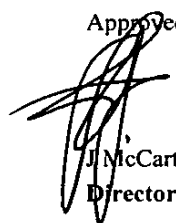
There are no recognised gains and losses other than those passing through the profit and loss account



**FAIRFAX HOMES (CROYDON) LIMITED****BALANCE SHEET****AS AT 31 MARCH 2012**

	Notes	2012 £	£	2011 £	£
<b>Current assets</b>					
Debtors	5	671,342		284,189	
Creditors: amounts falling due within one year	6	<u>(671,341)</u>		<u>(240,768)</u>	
<b>Total assets less current liabilities</b>			<u>1</u>		<u>43,421</u>
<b>Capital and reserves</b>					
Called up share capital	7		1		1
Profit and loss account	8		-		<u>43,420</u>
<b>Shareholders' funds</b>	9		<u>1</u>		<u>43,421</u>

Approved by the Board and authorised for issue on 27 September 2012



J. McCartney  
Director

Company Registration No. 05075534

**FAIRFAX HOMES (CROYDON) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**

---

**1 Accounting policies**

**1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

Included within liabilities are bank loans of £660,500 that fell due for repayment on 24 March 2012 but which had not been repaid as at the year end. The directors are currently in negotiations with the bank to repay these loans by replacing them with loans to J McCartney personally. The directors remain confident that the negotiations will be successful and that the loans will be replaced accordingly. Also, as at the date of approving these financial statements, J McCartney has indicated that he intends to continue providing sufficient working capital to the group for the foreseeable future so that the company can meet its financial obligations as they fall due. As a result the directors consider that it is appropriate to continue using the going concern basis for preparing these financial statements.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

**1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

**1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

**1.4 Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

**2 Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

**FAIRFAX HOMES (CROYDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2012**

<b>3</b>	<b>Taxation</b>	<b>2012</b>	<b>2011</b>
	<b>Total current tax</b>	-	-
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	40,102	32,196
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2011 - 21.00%)	8,020	6,761
	Effects of Tax losses utilised	(8,020)	(6,761)
		(8,020)	(6,761)
	<b>Current tax charge for the year</b>	-	-
	The company has estimated losses of £ 1,899 (2011 - £ 42,001) available for carry forward against future trading profits		
<b>4</b>	<b>Dividends</b>	<b>2012</b>	<b>2011</b>
		£	£
	Ordinary interim paid	83,522	-
<b>5</b>	<b>Debtors</b>	<b>2012</b>	<b>2011</b>
		£	£
	Amounts owed by parent and fellow subsidiary undertakings	671,342	284,189
<b>6</b>	<b>Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
		£	£
	Bank loans and overdrafts	660,500	240,500
	Accruals and deferred income	10,841	268
		671,341	240,768

The bank loan is secured by fixed and floating charges over the assets of the company and also by a first charge over property held by the directors personally

**FAIRFAX HOMES (CROYDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2012**

<b>7</b>	<b>Share capital</b>	<b>2012</b>	<b>2011</b>
		<b>£</b>	<b>£</b>
	<b>Allotted, called up and fully paid</b>		
	1 Ordinary shares of £1 each	1	1

**8 Statement of movements on profit and loss account**

**Profit and loss  
account**

**£**

Balance at 1 April 2011	43,420
Profit for the year	40,102
Dividends paid	(83,522)
Balance at 31 March 2012	-

**9 Reconciliation of movements in shareholders' funds**

**2012**

**2011**

**£**

**£**

Profit for the financial year	40,102	32,196
Dividends	(83,522)	-
Net (depletion in)/addition to shareholders' funds	(43,420)	32,196
Opening shareholders' funds	43,421	11,225
Closing shareholders' funds	1	43,421

**10 Employees**

**Number of employees**

There were no employees during the year apart from the directors

**11 Control**

The company is a wholly owned subsidiary of Fairfax Homes Limited, a company registered in England and Wales

The ultimate controlling party is J McCartney, who owns 100% of the parent company

**FAIRFAX HOMES (CROYDON) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2012**

---

**12 Related party relationships and transactions**

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the group to which it is party to the transactions

During the year the company made sales of £845,252 (2011 £673,000) to J McCartney and D J McCartney, the directors