

Company Registration Number 05079946

Roland Bardsley Homes Limited

**Directors' Report and Financial Statements
Period ended 30th June 2007**

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Roland Bardsley Homes Limited

Contents

	Page
Directors and Advisors	1
Directors' Report	2
Statement of Directors' Responsibilities	5
Independent Auditors' Report	5
Profit and Loss Account	7
Balance Sheet	8
Notes to the Financial Statements for the period ended 30th June 2007	9

Roland Bardsley Homes Limited

Directors and Advisors

Directors

S J Boyes	(appointed 11th June 2007)
R J R Brooke	
C Fenton	(appointed 11th June 2007)
M A Pain	(appointed 11th June 2007)
M S Clare	(appointed 11th June 2007)
L Dent	(appointed 11th June 2007)

Secretary

R G Douglas

Registered Office

Wilson Bowden House
Leicester Road
Ibstock
Leicester
LE67 6WB

Auditors

Deloitte & Touche LLP
Four Brindleyplace
Birmingham, UK
B1 2HZ

Roland Bardsley Homes Limited

Directors' Report

The Directors submit their report and the financial statements of the Company for the six-month period from 1st January 2007 to 30th June 2007. The comparative period for this report and the financial statements, referred to as 2006, is the eighteen-month period from 1st July 2005 to 31st December 2006.

Principal activities

The principal activity of the Company during the period was, and will continue to be, residential development.

Review of the business and future developments

The period has been one of significant change for the Company. On 5th February 2007 the Directors of Wilson Bowden plc announced that they had reached an agreement on the terms of a recommended cash and share offer by Barratt Developments PLC to acquire its entire issued and to be issued share capital.

On 26th April 2007, an order of the High Court sanctioning a Scheme of Arrangement was registered with the Registrar of Companies and became effective, pursuant to which Barratt Developments PLC acquired the entire issued share capital of Wilson Bowden plc which ceased to be a public limited company at that date. The Scheme of Arrangement resulted in Barratt Developments PLC becoming the Company's ultimate parent company.

In order to align the Company's accounting period with that of the ultimate parent company, the Company's accounting reference date has been changed to 30th June. Hence these financial statements present information for the six months to 30th June 2007.

The key financial results are

	Period Ended 30th June 2007	6 month average in period to 31st December 2006	18 month period to 31st December 2006
• Completions	86	78	233
• Average selling price	£149,723	£205,671	£205,671
• Revenue	£12,876,217	£15,973,817	£47,921,451
• Gross Profit	£1,282,355	£2,852,758	£8,558,275
• Operating (loss)/profit	(£198,131)	£291,873	£875,619
• Operating margin	(1.5%)	1.8%	1.8%
• Return on average capital employed	(1.75%)	(2.74%)	(2.74%)

The above measures are the Key Financial Performance Indicators by which management monitors the performance of the business. The Non-Financial Key Performance Indicators are customer satisfaction, land bank status, planning performance, health and safety performance, and employee retention and turnover.

Revenues for the period decreased by 19.4% to £12,876,217 compared to the six-month average of the eighteen-month period to 31st December 2006 of £15,973,817. This was largely caused by the 10.3% increase in sales volumes and a 27.2% decrease in average unit price.

Average selling price per unit fell 27.2% during the period from £205,671 to £149,723. This was caused by the changes in the mix of house types combined with the effects of increasing sales incentives on certain sites as required by market conditions.

The gross profit for the period decreased by 55.0% to £1,282,355 compared to the six-month average of the eighteen-month period to 31st December 2006 of £2,852,758. This was largely due to a change in the accounting method for valuing residential work in progress to exclude attributable overheads. This change in accounting estimate resulted in a reduction in the gross margin from 21.6% in 2006 to 10.0% in 2007. Without this change, gross margin for 2007 would have been 17.9%.

Operating margin was (1.5)% (2006 1.8%). This decrease was largely due to the change in accounting method for valuing residential work in progress as above, which reduced operating margin from 10.1% to (1.5)%.

Roland Bardsley Homes Limited

Directors' Report (continued)

Review of the business and future developments, continued

The change in accounting method referred to above resulted in the Company posting a loss before taxation in the period which would otherwise have been a profit of £1,298,093. This change will have little impact on the profits of the Company going forward and the Directors are optimistic that the Company will return to profit in the coming year.

The principal risk that faces the Company is market risk, being the strength of the housing market in the northwest of England.

The Directors do not anticipate any significant changes in the activity of the Company in the foreseeable future.

Result and dividend

The loss before taxation for the period amounted to £198,412 (2006 £376,009).

No dividend was paid during the period (2006 nil). The Directors do not recommend the payment of a final dividend (2006 nil).

Financial risk management

Credit risk

The Company has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers. Financial instrument counterparties are subject to pre-approval by the Board of Directors. The amount of exposure to any individual counterparty is subject to a limit set by the Directors and is regularly reassessed.

Directors

The Directors who served the Company during the period and subsequently were as follows:

S J Boyes	(appointed 11th June 2007)
R J R Brooke	
M S Clare	(appointed 11th June 2007)
G C Crisp	(resigned 30th June 2007)
L Dent	(appointed 11th June 2007)
C Fenton	(appointed 11th June 2007)
H Mears	(resigned 15th March 2007)
M A Pain	(appointed 11th June 2007)

Directors' interest in shares

None of the Directors who held office at the end of the financial period had any disclosable interests in the shares of the Company.

Employees

It is the Company's policy that employment opportunities, training, career development and promotion should be available to all, irrespective of age, gender, ethnic origin, religion or disability. Due consideration is given to applications for employment from disabled persons having regard to the particular aptitudes and abilities of the applicants concerned. Any employee who develops disability during employment is given the opportunity of retraining for alternative employment where practicable, given the nature of the Company's activities.

There are specific arrangements to keep all employees informed on matters of concern to them and to encourage their involvement in the Company's performance.

Roland Bardsley Homes Limited

Directors' Report (continued)

Donations

Donations during the period for educational purposes, to charity and to local causes amounted to nil (2006 £6,721) No donations were made for political purposes (2006 nil)

Supplier payment policy

The Company's policy with regard to the payment of suppliers is to advise suppliers when placing orders of the Company's payment terms or, alternatively, to agree payment terms prior to order

It is policy to pay in accordance with agreed arrangements which, within the industry, include the evaluation by surveyors of the value of work completed and retentions for remedial work

The Company's trade creditor days at 30th June 2007 were 14 days (2006 41 days) based on the ratio of the Company's trade creditors at the end of the period to amounts invoiced during the period

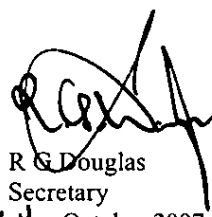
Auditors

Each of the persons who is a Director at the date of approval of these financial statements 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 they ought to have taken as a Director in order to make themselves 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 In accordance with section 385 of the Companies Act 1985, a resolution proposing the reappointment of Deloitte & Touche LLP as auditors to the Company will be put to the Annual General Meeting



R G Douglas
Secretary

19th October 2007

Roland Bardsley Homes 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, 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 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 Roland Bardsley Homes Limited

We have audited the financial statements of Roland Bardsley Homes Limited for the six months ended 30 June 2007 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 19. 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.

Roland Bardsley Homes Limited

Independent Auditors' Report to the members of Roland Bardsley Homes Limited, continued

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 30th June 2007 and of its loss for the six months 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

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham
United Kingdom

29 October 2007

Roland Bardsley Homes Limited

Profit and Loss Account for the period ended 30th June 2007

	<i>Note</i>	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
Turnover	2	12,876,217	47,921,451
Cost of sales		(11,593,882)	(39,363,176)
Gross profit		1,282,335	8,558,275
Administration expenses		(1,480,466)	(7,682,656)
Operating (loss)/profit	3	(198,131)	875,619
Interest receivable		-	148,221
Interest payable	4	(281)	(1,399,849)
Loss on ordinary activities before taxation		(198,412)	(376,009)
Taxation on loss on ordinary activities	5	51,948	(309,645)
Loss on ordinary activities after taxation		(146,464)	(685,654)

All amounts relate to continuing operations

There are no recognised gains and losses for the current and preceding financial period other than the losses shown above. Accordingly, no Statement of Total Recognised Gains and Losses has been presented.

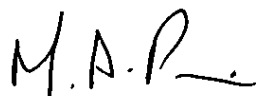
Roland Bardsley Homes Limited

Balance Sheet as at 30th June 2007

	<i>Note</i>	30th June 2007 £	31st December 2006 £
Fixed assets			
Investments	6	-	-
Current assets			
Stock	7	30,490,133	34,120,997
Debtors	8	12,485,032	9,001,063
Cash at bank and in hand		10,918	56,228
		<u>42,986,083</u>	<u>43,178,288</u>
Creditors amounts falling due within one year	10	(26,369,993)	(26,415,734)
Net current assets		<u>16,616,090</u>	<u>16,762,554</u>
Total assets less current liabilities		<u>16,616,090</u>	<u>16,762,554</u>
Net assets		<u>16,616,090</u>	<u>16,762,554</u>
Capital and reserves			
Called up share capital	11	99	99
Share premium account	12	18,573,506	18,573,506
Profit and loss account deficit	13	(1,957,515)	(1,811,051)
Shareholders' funds	14	<u>16,616,090</u>	<u>16,762,554</u>

The financial statements were approved by the Board on 19th October 2007 and signed on its behalf by

MA Pain
Director



Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007

1 Accounting Policies

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and the historical cost convention. The Company has taken the exemption from preparing Group financial statements as permitted by section 228 of the Companies Act 1985. These financial statements present information about the Company as an individual, and not a group, undertaking.

Changes in accounting policy

Where relevant, the requirements of all new Accounting Standards and pronouncements, whose implementation dates were during the period, have been adopted.

Turnover

The Company's business is conducted through a single class of business, being that of residential development in the United Kingdom.

Turnover comprises the amount receivable for goods and services supplied to customers during the period, and excludes intra-group transactions and value added tax. Proceeds from the sale of part exchanged houses and undeveloped land are excluded from turnover.

Proceeds from the sale of newly constructed houses are included in turnover on legal completion.

Investments

Investments held as fixed assets are stated at cost less any provision for impairment.

Stocks and work in progress

Stock, including land held for development and completed and part exchange houses, and residential work in progress is all valued at the lower of cost and net realisable value.

Upon acquisition of the Company by Barratt Developments PLC, the valuation of residential work in progress is performed according to the principles applied by Barratt Developments PLC. As a result of this change in estimation technique attributable overheads are no longer included in the valuation of residential work in progress. This change in accounting estimate resulted in a charge of £1,496,505 to the profit and loss account in the period.

Hire purchase agreements

Where an asset is acquired under a finance lease the asset is capitalised and the corresponding liability to the leasing company is included in obligations under finance leases. Depreciation on leased assets is charged to the profit and loss account at rates calculated to write off the capitalised value of the asset over the shorter of its expected useful life and the term of the lease. Leasing payments are treated as consisting of capital and interest elements and the interest is charged to the profit and loss account so as to give a constant periodic charge.

Operating leases

The annual rentals in respect of operating leases are charged to trading profits on a straight-line basis over the term of the lease.

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

1 Accounting Policies (continued)

Taxation

UK corporation tax is provided on taxable profits at the current rate

Deferred taxation is recognised on all timing differences where the transaction or events that gave rise to an obligation to pay more tax, or a right to pay less tax, at a future date, have occurred by the balance sheet date at rates expected to apply when they crystallise based on current tax rates and law. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured on a non-discounted basis.

Pensions

The Group operates a number of defined contribution pension schemes for certain employees. The Company's contributions to the schemes are charged against profits in the year in which the contributions are made.

Cashflow

The Company is a wholly owned subsidiary of Barratt Developments PLC and the cashflows of the Company are included in the consolidated group cashflow statement of Barratt Developments PLC. Consequently, the Company is exempt under the terms of FRS1 (Revised 1996) from the requirement to publish a cashflow statement.

Share-based payments

The Group issues equity-settled share-based payments to certain employees and has applied the requirements of FRS20 'Share-based Payment'. In accordance with the transitional provisions, FRS2Q has been applied to all grants of equity instruments after 7th November 2002 that had not vested as at 1st January 2005.

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade receivables

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Trade receivables on extended terms are recorded at their fair value at the date of the transaction. The discount to nominal value is amortised over the period of the credit term and credited to interest costs.

Trade payables

Trade payables on normal terms are not interest bearing and are stated at their nominal value.

Trade payables on extended terms are recorded at their fair value at the date of acquisition of the asset to which they relate. The discount to nominal value is amortised over the period of the credit term and charged to interest costs.

Bank borrowings

Where bank agreements include a legal right of offset for in hand and overdraft balances, and the Group intend to net settle the outstanding position, the offset arrangements are applied to record the net position.

Borrowing costs are recorded in the period to which they relate.

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the Company's ordinary activity of residential development, stated net of value added tax. The turnover is wholly generated in the UK.

3 Operating (loss)/profit

	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
Operating (loss)/profit is stated after charging		
Operating leases		
- Plant and machinery	-	110,445
- Land and buildings	-	118,164
Depreciation of tangible fixed assets	-	
- owned assets		152,070
- leased assets	-	123,991
Loss on disposal of tangible fixed assets	-	31,324

The remuneration of the auditors, Deloitte & Touche LLP, which was all for audit services, of £15,000 (2006 £15,000) was borne by another group company and is not recharged.

Directors and employees

	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
Wages and salaries	1,661,387	5,803,600
Social security costs	154,440	593,671
Pension costs	78,074	152,435
Compensation for loss of office	-	1,605,527
Share-based payments	-	75
	<u>1,893,901</u>	<u>8,155,308</u>

	Period from 1st January 2007 to 30th June 2007 No.	Period from 1st July 2005 to 31st December 2006 No.
Average number employed including executive		
Directors		
Management	11	16
Administrative	21	41
Productive	46	85
	<u>78</u>	<u>142</u>

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

3 Operating profit (continued)

Directors	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
The Directors' aggregate emoluments in respect of qualifying services were		
Emoluments	-	835,775
Pension contributions	-	45,985
Compensation for loss of office	-	955,767
	-	<u>1,837,527</u>
Highest paid Director - emoluments	-	14,974
- compensation for loss of office	-	450,556
- pension contributions	-	-
	-	<u>465,530</u>

No director (2006 five) accrued benefits under Company money purchase pension schemes in respect of qualifying services

R J R Brooke is, and G C Crisp was, a Director of David Wilson Homes Limited and their emoluments are disclosed in that company's accounts

S J Boyes, M S Clare, C Fenton and M A Pain are Directors of Barratt Developments PLC and their emoluments are disclosed in that company's accounts

H Mears received no emoluments as Director of the company

L Dent received no emoluments from the Company, he is employed and remunerated by Barratt Developments PLC

No director received separate emoluments in respect of their services to this Company

Pension costs

The Group operates a number of defined contribution pension schemes for certain employees under which the Company has no obligation, other than to make regular contributions to independent investment managers at a predetermined proportion of each participating employee's salary. The Company's contributions to these defined contribution pension schemes amounted to £78,074 (2006 £152,435) and are charged against the profits of the period in which the contributions are made

4 Interest payable

	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
Bank overdrafts and short term interest	281	1,385,438
Finance charges	-	14,411
	<u>281</u>	<u>1,399,849</u>

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

5 Taxation

	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
Current taxation		
In respect of the period		
UK corporation tax on loss for the period	(59,229)	168,334
Adjustment in respect of prior periods	58,988	141,349
Total current tax	<u>(241)</u>	<u>309,683</u>
Deferred taxation		
Origination and reversal of timing differences	<u>(51,707)</u>	<u>(38)</u>
Total deferred tax	<u>(51,707)</u>	<u>(38)</u>
Tax on loss on ordinary activities	<u>(51,948)</u>	<u>309,645</u>

	Period from 1st January 2007 to 30th June 2007 £	Period from 1st July 2005 to 31st December 2006 £
Factors affecting tax charge for period		

The tax assessed for the period is higher (2006 higher) than the standard rate of corporation tax in the UK of 30% (2006 30%) The differences are explained below

Loss on ordinary activities before tax	<u>(198,412)</u>	<u>(376,009)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK 30% (2006 30%)	(59,524)	(112,803)
Effects of		
Expenses not deductible for tax purposes	7,576	280,721
Capital allowances in excess of depreciation	(7,313)	378
Other timing differences	32	38
Adjustments in respect of prior periods	58,988	141,349
Current tax (credit) / charge for period	<u>(241)</u>	<u>309,683</u>

6 Fixed asset investments

	Shares in subsidiary £
Cost:	
At 31st December 2006 and 30th June 2007	<u>2,309,832</u>
Provision against investment:	
At 31st December 2006 and 30th June 2007	<u>2,309,832</u>
Net book value:	
At 31st December 2006 and 30th June 2007	<u>-</u>

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

6 Fixed asset investments, continued

The undermentioned is a wholly owned subsidiary company, incorporated in England

North West Land Developments Limited	Principal activity Dormant
--------------------------------------	-------------------------------

7 Stock

	30th June 2007	31st December 2006
	£	£
Raw materials and consumables	62,341	72,833
Work in progress	14,249,355	16,522,198
Land held for redevelopment	14,191,479	16,073,608
Part-exchange properties	1,986,958	1,452,358
	<u>30,490,133</u>	<u>34,120,997</u>

The value of work in progress has been subject to a change in accounting estimate in 2007, to exclude overhead costs. This resulted in a charge of £1,496,505 to the profit and loss account in the period.

8 Debtors

	30th June 2007	31st December 2006
	£	£
Trade debtors	999,996	427,626
Amounts owed by group undertakings	10,631,155	7,060,476
Other debtors	87,062	53,836
Directors' and shareholders' current accounts (note 17)	-	604,343
Deferred shared equity scheme	-	28,975
Corporation tax	766,819	825,807
	<u>12,485,032</u>	<u>9,001,063</u>

Other debtors includes a deferred tax asset of £51,745 (2006 £38), it is considered that this will be recovered as a deduction from corporation tax liabilities on future profits.

9 Deferred taxation

	30th June 2007	31st December 2006
	£	£
Balance brought forward	38	-
Profit and loss account movement arising during the period	51,707	38
Balance carried forward	<u>51,745</u>	<u>38</u>

The balance on the deferred taxation account consists of the tax effect of timing differences in respect of

	30th June 2007	31st December 2006
	£	£
Accelerated capital allowances	51,675	-
Short term timing differences	70	38
	<u>51,745</u>	<u>38</u>

The deferred tax asset is included within other debtors in note 8.

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

10 Creditors: amounts falling due within one year

	30th June 2007	31st December 2006
	£	£
Trade creditors	336,040	366,108
Amounts owed to group undertakings	23,837,001	24,409,237
Payments in advance	107,949	41,954
Other creditors	298,447	250,197
Accruals and deferred income	1,790,556	1,348,238
	<u>26,369,993</u>	<u>26,415,734</u>

11 Called up share capital

	30th June 2007	31st December 2006
	£	£
Authorised share capital		
‘A’ Ordinary shares of 1p each	800	800
‘B’ Ordinary shares of 1p each	100	100
‘C’ Ordinary shares of 1p each	100	100
	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
7,864 1p ‘A’ ordinary shares	79	79
1,000 1p ‘B’ ordinary shares	10	10
1,000 1p ‘C’ ordinary shares	10	10
	<u>99</u>	<u>99</u>

All the shares rank pari passu with regards to capital and voting rights. With regards to income, a dividend may be paid either equally on all classes, or on one or more classes to the exclusion of the other classes, differentiating between such classes as to the amount or percentage of dividend payable.

12 Share premium account

	£
At 31st December 2006 and 30th June 2007	<u>18,573,506</u>

13 Profit and loss account deficit

	£
At 31st December 2006	(1,811,051)
Loss for the period	<u>(146,464)</u>
At 30th June 2007	<u>(1,957,515)</u>

14 Reconciliation of shareholders' funds

	30th June 2007	31st December 2006
	£	£
Loss for the financial period	(146,464)	(685,654)
Net reduction in shareholders' funds	<u>(146,464)</u>	<u>(685,654)</u>
Opening shareholders' funds	16,762,554	17,448,208
Closing shareholders' funds	<u>16,616,090</u>	<u>16,762,554</u>

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

15 Immediate and ultimate parent company

The immediate parent company is David Wilson Homes Limited a company incorporated in Great Britain and registered in England

The ultimate parent company and controlling party is Barratt Developments PLC a company incorporated in Great Britain and registered in England

The largest and smallest group in which the Company is consolidated was Wilson Bowden plc for the period ended 31st December 2006 and is Barratt Developments PLC for the current and future periods

16 Related party transactions

As the Company is ultimately owned by Barratt Developments PLC, it has taken advantage of the exemption contained in FRS8 'Related Party Disclosures' not to disclose transactions with other companies in the Barratt Developments PLC group

17 Directors and shareholders' loan accounts

In the periods ended 30th June 2005 and 31st December 2006, unlawful dividends totalling £560,832 were paid following the hive up of the subsidiary and the subsequent write downs against intra-group balances. These were reclassified as shareholders loans in each prior period and were unpaid as at 31st December 2006 together with accrued interest totalling £43,511. These loans were repaid in the period to 30th June 2007 and accordingly at 30th June 2007 there are no Directors' or shareholders' loans outstanding

18 Contingent liabilities

The Company has entered into counter indemnities in the normal course of business in respect of performance bonds. In addition, the Company has commitments for the purchase of trading stock entered into in the normal course of business

19 Share-based payments

Directors and employees of the Company participate in the share incentive schemes provided by Wilson Bowden Limited (formerly Wilson Bowden plc)

Wilson Bowden plc 2003 Savings Related Share Option Scheme ("WBSRSOS")

Under the WBSRSOS, participants are required to make monthly contributions to an approved savings authority under a contractual savings scheme for a period of three or five years. On entering into the savings contract participants are granted an option to acquire ordinary shares in the Company at a discount, of no more than 20%, to the middle market price of the Company's shares immediately prior to the date of grant.

The exercise of options under the WBSRSOS is not subject to the satisfaction of a performance condition as the WBSRSOS is Inland Revenue approved and was open to all eligible employees

Under the rules of the Wilson Bowden plc 2003 Savings Related Share Option Scheme, options that were granted but not already exercisable became exercisable during the six months following the first court hearing date, 23rd April 2007, to the extent of the savings made under the savings contract at the time of exercise together with any accrued interest or bonus due. Any options outstanding after the expiry of this six month period will lapse.

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

19 Share-based payments, continued

The Scheme of Arrangement does not apply to Wilson Bowden shares acquired by participants in the WBSRSOS after 24th April 2007. An amendment was therefore made to Wilson Bowden's Articles of Association to the effect that any Wilson Bowden shares issued to WBSRSOS participants after the exercise of options are automatically acquired by Barratt Developments PLC for the same consideration as would have been receivable if it were under the Scheme of Arrangement.

Movement in outstanding options

	Period from 1st January 2007 to 30th June 2007		Period from 1st July 2005 to 31st December 2006	
	Options Number	Weighted average share price Pence	Options Number	Weighted average share price Pence
WBSRSOS				
Outstanding at the beginning of the period	424	1,590	-	-
Granted during the period	-	-	424	1,590
Exercised during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Outstanding at the end of the period	424	1,590	424	1,590
Exercisable at the end of the period	70	1,590	-	-

Options and PSP scheme outstanding at 30th June 2007

At 30th June 2007, all outstanding options to purchase ordinary shares and performance share plan shares in Wilson Bowden Ltd, in accordance with the terms of the applicable scheme, are as follows

Dates between which options are exercisable		30th June 2007 Number	31st December 2006 Number	Price per share
Wilson Bowden plc Savings Related Share Option Scheme				
<i>Original Exercise date</i>	<i>Exercise date following Change of control</i>			
1 12 2009 – 31 5 2010	23 04 2007- 23 10 2007	260	260	1,590
1 12 2011 – 31 5 2012	23 04 2007- 23 10 2007	164	164	1,590
Total number of shares under option		424	424	1,590

Roland Bardsley Homes Limited

Notes to the Financial Statements for the period ended 30th June 2007 (continued)

19 Share-based payments, continued

Income statement charge

Wilson Bowden Ltd Savings Related Share Option Scheme

A charge to the income statement has been made for options issued on or after 7th November 2002 that had not vested as at 1st July 2007 in accordance with IFRS2 'Share-based Payments'. The weighted average fair value of the options issued on or after 7th November 2002 to the balance sheet date was £4.18 (2006 £4.18) per option. No options were issued in the period, the weighted average fair value of share options granted during the previous period was £4.18. The weighted average inputs to the Black-Scholes model are as follows:

	Period from 1st January 2007 to 30th June 2007	Period from 1st July 2005 to 31st December 2006
	Grants	Grants
Average share price	-	1,768p
Average exercise price	-	1,590p
Expected volatility	-	24.1%
Expected life	-	4.0 years
Risk free rate	-	4.9%
Expected dividends	-	3.1%

Expected volatility was determined by reference to the historical volatility of the Group's share price over a period consistent with the expected life of the options. The expected life used in the model has been adjusted based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Total expense

The Company recognised an expense of £ nil (2006 £75) in respect of equity-settled share-based transactions in the period ended 30th June 2007. As at 30th June 2007 liabilities of £ nil (2006 £53) were recognised in respect of share-based payments.