

CREST NICHOLSON (BATH) HOLDINGS LIMITED

DIRECTORS' REPORT AND ACCOUNTS

31st OCTOBER 2011

TUESDAY



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17/04/2012

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COMPANIES HOUSE

Registered No 5235961

CREST NICHOLSON (BATH) HOLDINGS LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in submitting their Report and Balance Sheet for the year ended 31st October 2011

Business Review

The Company has not traded in this period or in the preceding period

Results and Dividend

The result for the financial year after taxation amounted to £nil (2010 loss £1,972,000) The directors do not recommend the payment of a dividend (2010 £nil)

Directors

The Directors during the period were

Mr D P Darby (Resigned 19th January 2011)
Mr N C Tinker
Mr S Stone
Ms D A Aplin
Mr P J Bergin

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By Order of the Board

K M Maguire
Secretary



Crest House
Pyncroft Road
Chertsey
Surrey KT16 9GN

28th February 2012

CREST NICHOLSON (BATH) HOLDINGS LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT
AND THE FINANCIAL STATEMENTS**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 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, and
- 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 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.

REPORT OF THE INDEPENDENT AUDITOR'S TO THE MEMBERS OF
CREST NICHOLSON (BATH) HOLDINGS LIMITED

We have audited the financial statements of Crest Nicholson (Bath) Holdings Limited for the year ended 31st October 2011 set out on pages 4 to 7. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do 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 page 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm

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 October 2011 and of its result for the year then ended,
- have been properly prepared in accordance with UK 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 Directors' 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 directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



W E J Holland (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
London

28th February 2012

CREST NICHOLSON (BATH) HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31st OCTOBER 2011**

	Note	2011 £'000	2010 £'000
Revenue		-	-
Cost of Sales		-	-
Gross Profit		-	-
Administrative expenses		-	(1,953)
Loss on ordinary activities before taxation	2	-	(1,953)
Taxation	3	-	(19)
Loss for the financial year	5	-	(1,972)

There are no recognised gains or losses other than those shown above

There is no material difference between the loss for the year as shown above and that based on historic costs

BALANCE SHEET AS AT 31st OCTOBER 2011

	Notes	2011 £'000	2010 £'000
<u>Fixed assets</u>			
Investments	4	-	-
<u>Current assets</u>			
Debtors - amounts owed by Group undertakings		2,351	2,351
<u>Current liabilities</u>			
Creditors - amounts owed to Group undertakings		(4,177)	(4,177)
Net current liabilities		(1,826)	(1,826)
Net liabilities		(1,826)	(1,826)
<u>Capital and reserves</u>			
Share capital (£100)	6	2,134	2,134
Profit & loss account		(3,960)	(3,960)
Equity shareholders' funds	5	(1,826)	(1,826)

The notes on pages 5 to 7 form part of these financial statements

Approved by the Board of Directors and signed on its behalf on 28th February 2012 by



P J Bergin
Director

CREST NICHOLSON (BATH) HOLDINGS LIMITED

NOTES TO THE ACCOUNTS

1 Accounting Policies

(a) Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

Under FRS1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Under Financial Reporting Standard 8 the Company is exempt from the requirement to disclose related party transactions with Crest Nicholson Holdings Limited and its subsidiary undertakings on the grounds that it is a wholly owned subsidiary undertaking of Crest Nicholson Holdings Limited.

The principal accounting policies adopted are set out below.

Going Concern

The company is one of the Obligors under the debt facilities of the Crest Nicholson Group. During the year, a major financial restructuring of the Crest Nicholson Group was successfully concluded, which has resulted in a significant increase in the equity on the group balance sheet. Debt with a book value of £359m was equitised, leaving the group with £150m of long term financing.

The Directors are satisfied that the group has sufficient resources to continue in operation for the foreseeable future. The Directors reviewed detailed financial forecasts and covenant compliance covering the period November 2011 to October 2012, and summary financial forecasts for the following two years. The group's borrowing facilities have been extended to 2015, and the group holds net cash of £122m at 31st October 2011. The directors have also confirmed that group companies will not seek repayment of any loans to the company unless sufficient working capital remains. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

For these reasons, the Directors consider it appropriate to prepare the financial statements of the company on a going concern basis.

(b) Investments

Investments are included in the balance sheet at cost less any provision for impairment.

2 Loss on ordinary activities before tax

The Company had no employees during the year (2010: nil).

No emoluments were paid to Directors during the year (2010: £nil).

Auditors remuneration of £3,000 (2010: £3,000) was borne by Crest Nicholson Plc.

3	<u>Taxation</u>	2011	2010
		£'000	£'000
	UK Corporation tax on loss for the year at 26.83% (2010 28.0%)	-	-
	Adjustments in respect of prior years	-	19
	Tax on loss on ordinary activities	<u>-</u>	<u>19</u>

The current tax charge for the year is lower than (2010 higher than) the standard rate of UK corporation tax of 26.83% (2010 28.0%). The difference is explained below

Loss on ordinary activities before tax	-	(1,953)
Tax on loss on ordinary activities at 26.83% (2010 28.0%)	<u>-</u>	<u>(547)</u>
Effects of		
Adjustments in respect of prior years	-	19
Not deductible for tax purposes	-	547
Total current tax charge	<u>-</u>	<u>19</u>

4 Investments

		Shares in Subsidiary undertakings
		£000
Cost	At beginning and end of year	4,000
Provisions	At beginning and end of year	<u>4,000</u>
Net book value	At beginning and end of year	<u>-</u>

The company owns 100% of the issued share capital of the following companies

Crest Nicholson Residential (London) Limited	Dormant
Crest Nicholson (Bath Western) Limited	Dormant

Both companies are incorporated in Great Britain and registered in England and Wales but have not traded. In the opinion of the Directors the net realisable value of this investment is not less than the amount stated in these accounts

5 Reconciliation of movements in shareholders' funds

	2011	2010
	£'000	£'000
Loss for the financial year	-	(1,972)
Opening shareholders' funds	(1,826)	146
Closing shareholders' funds	<u>(1,826)</u>	<u>(1,826)</u>

6 Share capital

Allotted, called up & fully paid	2011	2010
	£	£
2,134,100 Ordinary shares of £1 each	<u>2,134,100</u>	<u>2,134,100</u>

7 Parent Company and Ultimate Controlling Party

The immediate parent company is Crest Nicholson Plc, which is incorporated in Great Britain and registered in England and Wales

The ultimate parent company is Crest Nicholson Holdings Limited, the largest higher group of undertakings for which group accounts are drawn up, which is incorporated in Great Britain and registered in England and Wales. Crest Nicholson Holdings Limited is the highest group entity in which the results of the group are consolidated. The smallest group in which they are consolidated is that headed by Crest Nicholson Plc. Copies of Crest Nicholson Holdings Limited Group accounts can be obtained from the Company's registered office which is shown in the Directors' Report.

The ultimate controlling party is Varde Partners, Inc. by virtue of their control of 60% of the ordinary share capital of Crest Nicholson Holdings Limited.