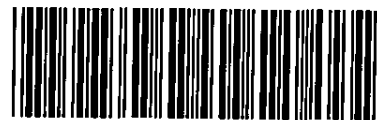


**CREST NICHOLSON (BATH) HOLDINGS LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS**

**31<sup>st</sup> OCTOBER 2009**

SATURDAY



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A11 29/05/2010 120  
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 2009

**Business Review**

The Company has not traded in this period or in the preceding period. A tax credit relating to transfer pricing adjustments has been booked in the year.

**Directors**

The Directors during the period were

Mr P Callcutt (Resigned 31<sup>st</sup> March 2009)  
Mr D P Darby  
Mr N C Tinker  
Mr S Stone  
Ms D A Aplin  
Mr P J Bergin


**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.

**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.

By Order of the Board

  
**K M Maguire**  
**Secretary**

Crest House  
Pycroft Road  
Chertsey  
Surrey KT16 9GN

24 FEBRUARY 2010

**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 AUDITORS 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 31<sup>st</sup> October 2009 set out on pages 4 to 8. 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 auditors' 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 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/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

**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 2009 and of its profit 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.

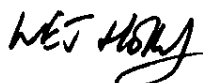
**Opinion on other matter prescribed by the Companies Act 2006**

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

24 February 2010

**CREST NICHOLSON (BATH) HOLDINGS LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31<sup>st</sup> OCTOBER 2009**

	Note	2009 £'000	2008 £'000
Revenue		-	-
Cost of Sales		-	-
Gross Profit		<hr/> -	<hr/> -
Other operating income		-	-
Administrative expenses		-	(2,090)
Operating loss – continuing operations		<hr/> -	<hr/> (2,090)
Net interest payable		-	-
Loss on ordinary activities before taxation		<hr/> -	<hr/> (2,090)
Taxation	3	102	-
Profit/(loss) for the financial year		<hr/> 102	<hr/> (2,090)

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

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

**CREST NICHOLSON (BATH) HOLDINGS LIMITED****BALANCE SHEET AS AT 31<sup>st</sup> OCTOBER 2009**

		<u>2009</u>	<u>2008</u>
	Notes	£'000	£'000
<u>Fixed assets</u>			
Investments	4	1,910	1,910
<u>Current assets</u>			
Debtors - amounts owed by Group undertakings		2,370	-
<u>Current liabilities</u>			
Creditors - amounts owed to Group undertakings		(4,134)	(4,000)
Net current liabilities		(1,764)	(4,000)
Net assets / (liabilities)		<u>146</u>	<u>(2,090)</u>
<u>Capital and reserves</u>			
Share capital (£100)	6	2,134	-
Profit & loss account	5	(1,988)	(2,090)
		<u>146</u>	<u>(2,090)</u>

Approved by the Board of Directors and signed on its behalf on **24 FEBRUARY** 2010 by

**D P Darby**  
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 financial statements have been prepared on a going concern basis as the parent company has confirmed that it will continue to support the company and enable it to meet its liabilities as they fall due for the foreseeable future.

The Company is a guarantor of bank facilities provided to the Crest Nicholson group and hence the going concern status of each group company is closely allied to the going concern status of the group, whose ultimate parent company is Crest Nicholson Holdings Limited.

Crest Nicholson Holdings Limited is dependent for its working capital requirements on funds provided to it through senior bank facilities totalling £500 million and a working capital facility of £40 million. As part of the financial restructuring of the group, the Directors prepared cash flow projections for the period to maturity of the senior facilities in March 2012. These projections have been updated subsequently and show that the group is capable of operating within the bank facilities currently available and meeting the financial covenant tests. However, the nature of the group's business is such that there can be unpredictable variations in the timing of cash inflows and performance. The Directors recognise that in the current economic environment, risks exist regarding the amount and timing of cash flows from future sales and future building costs and have considered the effect of reasonably possible variations. The Directors have concluded, after making enquiries and considering the uncertainties described above, that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Directors consider it appropriate to prepare the financial statements of the company on a going concern basis. These financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

**(b) Investments**

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

**2 Directors and employees**

The Company had no employees during the year (2008 nil).

The Directors did not receive any remuneration for their services during the year (2008 £nil).

3	<u>Taxation</u>	2009	2008
		£'000	£'000
	UK Corporation tax on loss for the period at 28.0% (2008 28.8%)	(47)	-
	Adjustments in respect of prior years	(55)	-
	Tax on loss on ordinary activities	<u>(102)</u>	<u>-</u>

The current tax charge for the period is lower than (2008 higher than) the standard rate of UK corporation tax of 28.0% (2008 28.8%). The difference is explained below

Loss on ordinary activities before tax	-	(2,090)
Tax on loss on ordinary activities at 28.0% (2008 28.8%)	<u>-</u>	<u>602</u>
Effects of		
Adjustments in respect of prior years	(55)	-
Transfer pricing adjustments	(47)	-
Investment impairment	-	(602)
Total current tax credit	<u>(102)</u>	<u>-</u>

4 Investments

	Shares in subsidiary undertakings
	£000
Cost at 1 <sup>st</sup> November 2008 and 31 <sup>st</sup> October 2009	4,000
Impairment at 1 <sup>st</sup> November 2008 and 31 <sup>st</sup> October 2009	(2,090)
Net book value at 1 <sup>st</sup> November 2008 and 31 <sup>st</sup> October 2009	<u>1,910</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

	2009	2008
	£'000	£'000
Profit/(loss) for the financial period	102	(2,090)
Shares issued	2,134	-
Opening shareholders' funds	(2,090)	-
Closing shareholders' deficit	<u>146</u>	<u>(2,090)</u>



6 Share capital

	£	£
Authorised, allotted, called up & fully paid Ordinary shares of £1 each	<u>2,134,100</u>	<u>100</u>

During the year the company issued 2,134,000 £1 ordinary shares for a consideration of £2,134,000

7 Parent Company

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 only group entity in which the results of the group are consolidated. Copies of Crest Nicholson Holdings Limited Group accounts can be obtained from the Company's registered office which is shown in the Directors' Report