

CROWNHILL ESTATES LIMITED

FINANCIAL STATEMENTS

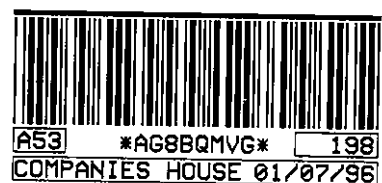
31ST AUGUST 1995

Registered number: 2990119

Lang Bennetts

Chartered Accountants

Cornwall



CROWNHILL ESTATES LIMITED

FINANCIAL STATEMENTS

for the period ended 31st August 1995

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The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
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CROWNHILL ESTATES LIMITED

COMPANY INFORMATION

31st August 1995

Incorporated in England on 14th November 1994

Number 2990119

CHAIRMAN	C. A. Howeson (appointed 24/11/94)
OTHER DIRECTORS	Mrs. E. J. Howeson (appointed 24/11/94) C. R. E. Truscott (appointed 1/3/95) The Duke of Somerset (appointed 1/1/96) Instant Companies Ltd. (resigned 24/11/94)
SECRETARY	Mrs. E. J. Howeson
REGISTERED OFFICE	36 Lemon Street Truro Cornwall
BANKERS	Barclays Bank plc 19 Princess Street Plymouth Devon
SOLICITORS	Fazan & Co. 116 Fore Street Kingsbridge Devon
AUDITORS	KPMG Chartered Accountants Phoenix House Notte Street Plymouth Devon

CROWNHILL ESTATES LIMITED

DIRECTORS' REPORT

31st August 1995

The directors present their report and the audited financial statements for the period ended 31st August 1995.

Principal activity

The company was incorporated on 14th November 1994 and commenced trading on 1st March 1995 when it purchased its first development site.

The principal activity of the company is that of property development.

Business review

The results for the year are shown on page 5 of the financial statements.

Directors

The directors of the company during the period and their interests in the shares of the company as recorded in the register of directors' interests were as follows:

	31st August 1995 Ordinary shares
C. A. Howeson (appointed 24/11/94)	30
Mrs. E. J. Howeson (appointed 24/11/94)	25
C. R. E. Truscott (appointed 1/3/95)	5
The Duke of Somerset (appointed 1/1/96)	-
Instant Companies Ltd. (resigned 24/11/94)	-


Auditors

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

Small company exemptions

Advantage has been taken in the preparation of this report of special exemptions applicable to small companies.

On behalf of the board


Mrs. E. J. Howeson
Secretary

36 Lemon Street
Truro
Cornwall

CROWNHILL ESTATES LIMITED

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 apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- 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.

On behalf of the board


Mrs. E. J. Howeson
Secretary

36 Lemon Street
Truro
Cornwall

Phoenix House
Notte Street
Plymouth
Devon PL1 2RT

Auditors' report to the members of Crownhill Estates Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 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 of the state of the company's affairs as at 31 August 1995 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.



*Chartered Accountants
Registered Auditors*

28 June 1996

CROWNHILL ESTATES LIMITED

PROFIT AND LOSS ACCOUNT

for the period ended 31st August 1995

	Note	1995 £
Turnover	2	504,264
Cost of sales		(306,512)
Gross profit		<u>197,752</u>
Net operating expenses		
Distribution costs		(4,815)
Administrative expenses		(117,082)
Operating profit	3	<u>75,855</u>
Interest payable	5	<u>(3,753)</u>
Profit on ordinary activities before taxation		72,102
Taxation	6	<u>(18,202)</u>
Profit on ordinary activities after taxation		53,900
Dividends	7	<u>(36,000)</u>
Retained profit for the period	13	<u><u>17,900</u></u>

Movements in reserves are shown in note 13.

None of the company's activities were acquired or discontinued during the above financial period.

There are no recognised gains and losses in 1995 other than the profit for the period.

CROWNHILL ESTATES LIMITED

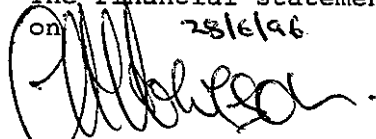
BALANCE SHEET

at 31st August 1995

	Note	1995 £	£
Current assets			
Stocks	8	563,264	
Debtors	9	114,331	
Cash at bank and in hand		1,221	
		<hr/>	
		678,816	
Creditors: amounts falling due within one year	10	(660,816)	
		<hr/>	
Net current assets			18,000
Total assets less current liabilities			<hr/>
			18,000
			<hr/>
Capital and reserves			
Called up share capital	12		100
Profit and loss account	13		17,900
			<hr/>
Equity shareholders' funds	11		18,000
			<hr/>

The directors have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 5 to 10 were approved by the board of directors on 28/6/96.


C. A. Howeson
Director

CROWNHILL ESTATES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1995

1 Accounting policies**Basis of accounting**

The financial statements have been prepared under the historical cost accounting rules.

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act 1985 for small companies.

Revenue and profit

Revenue and profit are recognised on sold properties on the exchange of contracts.

Stocks

Stocks are valued at the lower of cost and net realisable value.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

Turnover represents the amount derived from the provision of goods and services which fall within the company's ordinary activities stated net of value added tax.

In the opinion of the directors, none of the turnover of the company is attributable to geographical markets outside the UK.

3 Operating profit

1995

£

Operating profit is stated after charging

Auditors' remuneration

1,175

CROWNHILL ESTATES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1995

4 Directors

1995
£

Directors' emoluments	76,000
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Pension costs

Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £21,000. There were no contributions payable to the fund at 31st August 1995.

5 Interest payable

1995
£

Interest payable on bank loans	3,753
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6 Taxation

1995
£

Corporation tax on profit on ordinary activities at 25%	18,202
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7 Dividends

1995
£

Equity - ordinary	36,000
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8 Stocks

1995
£

Properties for resale	563,264
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9 Debtors

1995
£

Amounts falling due within one year

Trade debtors	108,305
Other debtors	6,026
	<u>114,331</u>

CROWNHILL ESTATES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1995

10 Creditors: amounts falling due within one year

	1995 £
Bank loan	430,000
Other loans	29,790
Trade creditors	841
Other creditors	200,185
	<u>660,816</u>

The bank loan is secured against the properties which form the stock of the company. There is no fixed repayment term.

11 Reconciliation of movements in shareholders' funds

	1995 £
Profit for the financial period	53,900
Dividends	(36,000)
	<u>17,900</u>
New share capital subscribed	100
	<u>18,000</u>
Net addition to shareholders' funds	18,000
Opening shareholders' funds	-
	<u>18,000</u>
Closing shareholders' funds	<u>18,000</u>

12 Called up share capital

	1995 Number of shares	£
Authorised		
Equity shares		
Ordinary shares	<u>1,000</u>	<u>1,000</u>
Allotted called up and fully paid		
Equity shares		
Ordinary shares	<u>100</u>	<u>100</u>

CROWNHILL ESTATES LIMITED

NOTES ON FINANCIAL STATEMENTS

31st August 1995

13 Profit and loss account

1995

£

Retained profit for the period

17,900