

# Audited Financial Statements Darcliffe Homes Limited

For the Year to 31 December 2011  
Company Registration No: 00763468



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**Darcliffe Homes Limited**

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**Company Information**

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<b>Directors</b>	G J Denton W F Phelps G P Smith
<b>Company secretary</b>	D Denton
<b>Company number</b>	00763468
<b>Registered office</b>	Kingfisher House Albury Close Loverock Road Reading Berkshire RG30 1BD
<b>Auditors</b>	HW, Chartered Accountants 7 - 11 Station Road Reading Berkshire RG1 1LG

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**Darcliffe Homes Limited**

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## **Darcliffe Homes Limited**

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### **Directors' report for the year ended 31 December 2011**

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The directors present their report and the financial statements for the year ended 31 December 2011

#### **Directors' responsibilities statement**

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 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 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.

#### **Principal activities**

The principal activity of the company in the year under review was that of residential property development.

#### **Business review**

The company incurred a loss before taxation of £8,103 compared with a profit before taxation of £206,127 in the previous year. Shareholders' funds decreased in the year from a deficit of £77,654 to a deficit of £82,612 in the current year. The directors are confident that the company is well placed to benefit from any upturn when it occurs.

#### **Results**

The loss for the year, after taxation, amounted to £4,958 (2010 - profit £219,764).

#### **Directors**

The directors who served during the year were

G J Denton  
W F Phelps  
G P Smith

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**Darcliffe Homes Limited**

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**Directors' report  
for the year ended 31 December 2011**

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**Provision of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

**Auditors**

The auditors, HW, Chartered Accountants, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on **27 / 6 / 2012** and signed on its behalf



**G J Denton**  
Director

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## **Darcliffe Homes Limited**

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### **Independent auditors' report to the shareholders of Darcliffe Homes Limited**

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We have audited the financial statements of Darcliffe Homes Limited for the year ended 31 December 2011, set out on pages 5 to 11. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard (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, 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 December 2011 and of its loss 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.

#### **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.

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**Darcliffe Homes Limited**

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**Independent auditors' report to the shareholders of Darcliffe Homes Limited**

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**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

*HW, Chartered Accountants*

Peter Wright BSc FCA (Senior statutory auditor)

for and on behalf of

**HW, Chartered Accountants**

Statutory auditors

7 - 11 Station Road

Reading

Berkshire

RG1 1LG

28 June 2012

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**Darcliffe Homes Limited**

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**Profit and loss account  
for the year ended 31 December 2011**

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	Note	2011 £	2010 £
Cost of sales		(10,888)	(4,146)
<b>Gross loss</b>		<b>(10,888)</b>	<b>(4,146)</b>
Administrative expenses		(4,848)	(6,047)
Other operating income	2	(276)	221,932
<b>Operating (loss)/profit</b>	3	<b>(16,012)</b>	<b>211,739</b>
Share of operating profit/(loss) in joint ventures		7,622	(5,793)
<b>Total operating (loss)/profit</b>		<b>(8,390)</b>	<b>205,946</b>
Interest receivable and similar income		287	181
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(8,103)</b>	<b>206,127</b>
Tax on (loss)/profit on ordinary activities	5	3,145	13,637
<b>(Loss)/profit for the financial year</b>	11	<b>(4,958)</b>	<b>219,764</b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 7 to 11 form part of these financial statements

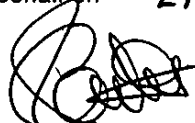


**Darcliffe Homes Limited**  
Registered number 00763468

**Balance sheet**  
as at 31 December 2011

	Note	£	2011 £	£	2010 £
<b>Fixed assets</b>					
Investments	6		131,857		124,234
<b>Current assets</b>					
Stocks	7	1,152,118		830,673	
Debtors	8	524,242		5,351	
Cash at bank		78,183		75,672	
		<u>1,754,543</u>		<u>911,696</u>	
<b>Creditors</b> amounts falling due within one year	9	<u>(1,969,012)</u>		<u>(1,113,584)</u>	
<b>Net current liabilities</b>			<u>(214,469)</u>		<u>(201,888)</u>
<b>Total assets less current liabilities</b>			<u>(82,612)</u>		<u>(77,654)</u>
<b>Capital and reserves</b>					
Called up share capital	10		50,000		50,000
Profit and loss account	11		<u>(132,612)</u>		<u>(127,654)</u>
<b>Shareholders' deficit</b>	12		<u>(82,612)</u>		<u>(77,654)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27/6/2012



**G J Denton**  
Director

The notes on pages 7 to 11 form part of these financial statements

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## **Darcliffe Homes Limited**

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### **Notes to the financial statements for the year ended 31 December 2011**

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#### **1 Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

##### **1.2 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.3 Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Incidental income arising from properties held for sale, such as properties sold, services provided and rents received are recognised over the period to which they relate and are shown as other operating income.

##### **1.4 Investments**

The company has entered into a joint venture with J Mould Property Limited for the purchase and development of the land and properties known as Little Orchard, Reids Cottage, and Bakery Cottages.

##### **1.5 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

##### **1.6 Related party transactions**

The company is a wholly owned subsidiary of Country Estates Holdings Plc, for which the consolidated accounts are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the Country Estates Group.

##### **1.7 Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

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**Darcliffe Homes Limited**

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**Notes to the financial statements  
for the year ended 31 December 2011**

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**2. Other operating income**

	2011 £	2010 £
Other operating income	-	221,632
Net rents receivable	200	300
Sundry income	(476)	-
	<u>(276)</u>	<u>221,932</u>

**3 Operating (loss)/profit**

The operating (loss)/profit is stated after charging

	2011 £	2010 £
Auditors' remuneration	<u>3,700</u>	<u>4,814</u>

**4. Staff costs**

The company has no employees other than the directors, who did not receive any remuneration (2010 - £NIL)

**5. Taxation**

	2011 £	2010 £
<b>Analysis of tax credit in the year</b>		
UK corporation tax charge/(credit) on (loss)/profit for the year	99	(13,637)
	<u>99</u>	<u>(13,637)</u>
Group taxation relief	(3,244)	-
<b>Tax on (loss)/profit on ordinary activities</b>	<u>(3,145)</u>	<u>(13,637)</u>

**Darcliffe Homes Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

**5. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2010 - the same as) the standard rate of corporation tax in the UK of 20 25% (2010 - 28%) The differences are explained below

	2011 £	2010 £
(Loss)/profit on ordinary activities before tax	<u>(8,103)</u>	<u>206,127</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20 25% (2010 - 28%)	(1,641)	57,716
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	39	(60,435)
Special factors affecting joint-ventures and associates leading to an increase (decrease) in the tax charge	(1,543)	-
Sundry tax adjustments	-	(10,918)
<b>Current tax credit for the year (see note above)</b>	<u><u>(3,145)</u></u>	<u><u>(13,637)</u></u>

**Factors that may affect future tax charges**

There were no factors that may affect future tax charges

**6. Fixed asset investments**

	Other fixed asset investments £	Investment in joint ventures £	Total £
<b>Cost or valuation</b>			
At 1 January 2011	-	124,234	124,234
Additions	1	-	1
Share of profit/(loss)	-	7,622	7,622
At 31 December 2011	<u>1</u>	<u>131,856</u>	<u>131,857</u>
<b>Net book value</b>			
At 31 December 2011	<u>1</u>	<u>131,856</u>	<u>131,857</u>
At 31 December 2010	<u>-</u>	<u>124,234</u>	<u>124,234</u>

**Darcliffe Homes Limited**

**Notes to the financial statements  
for the year ended 31 December 2011**

**6. Fixed asset investments (continued)**

**Participating interests**

The company owns 50% of the issued share capital of Orchard Developments (Oxford) Limited, a company which was incorporated in the United Kingdom

The company has entered into a joint venture with J Mould Property Limited for the purchase and development of the land and properties known as Little Orchard, Reids Cottage, and Bakery Cottages

**7. Stocks**

	2011 £	2010 £
Work in progress	417,647	96,202
Land	734,471	734,471
	<u>1,152,118</u>	<u>830,673</u>

**8. Debtors**

	2011 £	2010 £
Trade debtors	5,600	350
Amounts owed by group undertakings	518,244	-
Other debtors	398	5,001
	<u>524,242</u>	<u>5,351</u>

**9. Creditors:  
Amounts falling due within one year**

	2011 £	2010 £
Bank loans and overdrafts	220,479	-
Trade creditors	1,860	8,750
Amounts owed to group undertakings	1,714,510	1,099,857
Corporation tax	99	-
Accruals and deferred income	32,064	4,977
	<u>1,969,012</u>	<u>1,113,584</u>

The loans and overdraft are secured by fixed charges over the property known as Boshers Yard, Papist Way, Cholsey

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**Darcliffe Homes Limited**

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**Notes to the financial statements  
for the year ended 31 December 2011**

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**10. Share capital**

	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
25,000 Ordinary A shares of £1 each	25,000	25,000
25,000 Ordinary B shares of £1 each	25,000	25,000
	<u>50,000</u>	<u>50,000</u>

**11 Reserves**

	Profit and loss account £
At 1 January 2011	(127,654)
Loss for the year	(4,958)
At 31 December 2011	<u>(132,612)</u>

**12. Reconciliation of movement in shareholders' deficit**

	2011 £	2010 £
Opening shareholders' deficit	(77,654)	(297,418)
(Loss)/profit for the year	(4,958)	219,764
Closing shareholders' deficit	<u>(82,612)</u>	<u>(77,654)</u>

**13. Related party transactions**

During the year the company sold services to the value of £5,200 to Orchard Developments (Oxford) Limited, a company of which Mr G Denton and Mr G Smith are directors

**14. Ultimate parent undertaking and controlling party**

The ultimate parent company is Country Estates Holdings plc, a company registered in England

The company is controlled by G P Smith, W F Phelps and G J Denton by virtue of their shareholding in the ultimate holding company

Copies of the consolidated financial statements of Country Estates Holdings plc can be obtained from Companies House