

E.F.G.H. Limited

Directors' report and financial statements

For the 15 month period ended 31 December 1996

Registered number 1326790



E.F.G.H. Limited

Directors' report and financial statements

<i>Contents</i>	<i>Page</i>
Directors' report	1-3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes	7-11

E.F.G.H. Limited

Directors' report

The directors present their annual report and the audited financial statements for the 15 month period ended 31 December 1996.

Principal activities

The company's principal activity is that of residential development.

Business review and future prospects

On 26 February 1996, Persimmon plc acquired the whole of the issued share capital of Ideal Homes Holdings Limited, the company's parent company.

The directors are pleased with the progress of the company in the current economic climate.

Results and dividends

The profit for the period after taxation is £41,000.

The directors do not recommend the payment of a dividend.

Directors and directors' interests

The directors who held office during the period were as follows:

G Grewer	(appointed 26 February 1996)
B D Taylor	(appointed 26 February 1996)
D G Bryant	(appointed 31 December 1996)
J E Coker	
D C Henderson	(resigned 31 May 1996)
J D Low	(resigned 26 February 1996)
J M Storer	(resigned 26 February 1996)

E.F.G.H. Limited

Directors' report *(continued)*

Directors and directors' interests *(continued)*

None of the directors has an interest in the shares of the company.

The directors who held office at the end of the financial period had the following interests in the ordinary shares of 10p each of the ultimate parent company, Persimmon plc, as recorded in the register of directors' share and debenture interests:

	Interest at 31 December 1996	Interest at 1 October 1995 or date of appointment Number of shares
Share options		
J E Coker	20,000	-

The interests of G Grever, B D Taylor and D G Bryant are disclosed in the directors' report of the ultimate parent company.

The share options held are exercisable during periods and at prices as shown below:

Number of shares	Period	Price per share (p)
20,000	April 1999 - April 2006	196.00

J E Coker had the following interests in the company's former parent company, Trafalgar House Public Limited Company at 30 September 1995:

	Ordinary shares	Cumulative convertible preference shares	Share options
J E Coker	-	-	102,181

E.F.G.H. Limited

Directors' report *(continued)*

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss for that period. In preparing those financial statements, the directors confirm that:


- suitable accounting policies have been selected and then applied consistently;
- judgements and estimates have been made that are reasonable and prudent;
- applicable accounting standards have been followed; and
- the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for taking such steps as are reasonably open to them to safeguard the assets of the company, and the prevention and detection of fraud and other irregularities.

Auditors

Pursuant to section 386 of the Companies Act 1985 an elective resolution to dispense with the obligation to appoint auditors annually was passed at the Annual General Meeting of the company held on 24 September 1992.

By order of the board



G Grewer
Secretary

Persimmon House
Fulford
YORK
YO1 4RE

10 March 1997



1 The Embankment
Neville Street
Leeds
LS1 4DW

Auditors' report to the members of E.F.G.H. Limited

We have audited the financial statements on pages 5 to 11.

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 judgements 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 December 1996 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Kam c. Anair PC,

KPMG Audit Plc
Chartered Accountants
Registered Auditor

10 March 1997



E.F.G.H. Limited

Profit and loss account

for the 15 month period ended 31 December 1996

	Note	15 months ended 31 December 1996 £000	Year ended 30 September 1995 £000
Turnover			
Continuing operations		2,437	1,883
Cost of sales		(2,345)	(1,780)
Gross profit		92	103
Net operating expenses		(29)	(23)
Operating profit			
Continuing operations		63	80
Net interest receivable	2	2	1
Profit on ordinary activities before taxation	3	65	81
Tax on ordinary activities	6	(24)	-
Retained profit for the financial period	12	41	81

No separate statement of total recognised gains and losses has been presented as the company has no recognised gains or losses other than the profit for the period as shown above.

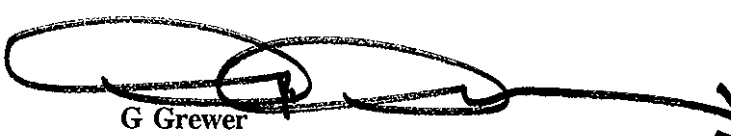
There is no material difference between the profit on ordinary activities before taxation and the retained profit for the period stated above, and their historic cost equivalents.

E.F.G.H. Limited

Balance sheet at 31 December 1996

	Note	31 December 1996 £000	30 September 1995 £000
Fixed assets			
Investments	7	-	-
Current assets			
Debtors - due within one year	8	1,361	1,546
Cash at bank and in hand		351	5
Creditors due within one year	9	1,712 (1,083)	1,551 (963)
Net assets		629	588
Capital and reserves			
Called up share capital	10	250	250
Profit and loss account	11	379	338
Equity shareholders' funds	12	629	588

These financial statements were approved by the board of directors on 10 March 1997 and were signed on its behalf by:


G Grewer
Director

E.F.G.H. Limited

Notes

(forming part of the financial statements)

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below:

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

The company is exempt, under Section 228 of the Companies Act 1985, from the requirement to prepare group accounts.

The company is exempt from the requirement of Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Persimmon plc, and its cash flows are included within the consolidated cash flow statement of that company.

Turnover

Turnover represents rental income, receivable on let commercial properties.

Interest

Interest is written off to the profit and loss account as incurred.

Taxation

Provision is made for tax on taxable profit, payments to group undertakings for the surrender of taxation losses and for deferred tax which is likely to crystallise in the foreseeable future.

Pension costs

Pension costs are accounted for on the basis of charging the expected costs of providing pensions over the period during which the company benefits from the employees' services.

E.F.G.H. Limited

Notes (continued)

2 Net interest receivable

	15 months ended 31 December 1996 £000	Year ended 30 September 1995 £000
Other interest receivable	<u>2</u>	<u>1</u>

3 Profit on ordinary activities before taxation

	15 months ended 31 December 1996 £000	Year ended 30 September 1995 £000
<i>Profit on ordinary activities before taxation is stated</i>		

after charging

Auditors' remuneration:
Audit

<u>1</u>	<u>1</u>
----------	----------

4 Remuneration of directors

None of the directors received any remuneration from the company (*year ended 30 September 1995: £nil*).

5 Staff numbers and costs

The company had no employees during the financial period (*year ended 30 September 1995: nil*).

6 Tax on ordinary activities

	15 months ended 31 December 1996 £000	Year ended 30 September 1995 £000
UK corporation tax at 33% (<i>1995: 33%</i>) based on profit for the period	<u>24</u>	<u>-</u>

There is no potential liability to deferred taxation (*30 September 1995: £nil*).

E.F.G.H. Limited

Notes (continued)

7 Fixed asset investments

	31 December 1996 £	30 September 1995 £
Shares in subsidiary undertakings	<u>26</u>	<u>26</u>

The subsidiary undertakings, which are registered in England and Wales, are listed below. In each case the shares held are 'B' ordinary shares and the company owns all the shares of that class which have been issued.

E.F.G.H. Management (Soham) Company Limited
 E.F.G.H. Management (Studlands Five) Company Limited
 E.F.G.H. Management (Studlands Six) Company Limited
 E.F.G.H. Nominees Limited

None of the subsidiary undertakings traded in the year.

8 Debtors due within one year

	31 December 1996 £000	30 September 1995 £000
Trade debtors	63	3
Amounts owed by group undertakings	953	897
Prepayments and accrued income	345	646
	<u>1,361</u>	<u>1,546</u>

9 Creditors due within one year

	31 December 1996 £000	30 September 1995 £000
Amounts owed to group undertakings	448	46
Corporation tax	24	-
Other creditors	-	17
Accruals and deferred income	611	900
	<u>1,083</u>	<u>963</u>

E.F.G.H. Limited

Notes (continued)

10 Called up share capital

	31 December 1996 £000	30 September 1995 £000
<i>Authorised</i>		
10,000,000 ordinary shares of 10p each	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
2,500,000 ordinary shares of 10p each	<u>250</u>	<u>250</u>

11 Reserves

	Profit and loss account £000
At 1 October 1995	338
Transfer from profit and loss account	<u>41</u>
At 31 December 1996	<u>379</u>

12 Reconciliation of movements in shareholders' funds

	15 months ended 31 December 1996 £000	Year ended 30 September 1995 £000
Profit for the financial period	41	81
Opening shareholders' funds	<u>588</u>	<u>507</u>
Closing shareholders' funds	<u>629</u>	<u>588</u>

13 Contingent liabilities

In the normal course of business, the company has also given counter-indemnities in respect of performance bonds and financial guarantees.

14 Commitments

At 31 December 1996, there were no capital commitments contracted for but not provided in the financial statements (30 September 1995: £nil)

E.F.G.H. Limited

Notes *(continued)*

15 Ultimate parent company

The company is a wholly owned subsidiary undertaking of Ideal Homes Holdings Limited.

The ultimate parent company is Persimmon plc. The consolidated accounts of Persimmon plc are available to the public and may be obtained from:

The Company Secretary
Persimmon plc
Persimmon House
Fulford
YORK
YO1 4RE