

**E.F.G.H. Limited**

**Directors' report and financial  
statements**

**Registered number 1326790**

**31 December 1999**



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## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 1999.

### **Principal activities**

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

### **Business review**

The directors are satisfied with the performance of the company in the current economic climate.

### **Proposed dividend**

The directors do not propose the payment of a dividend.

### **Policy and practice on payment of creditors**

The company's policy and practice for the payment of most of its trade creditors is to follow the CBI's Prompt Payment Code (copies available from the CBI, Centre Point, 103 New Oxford Street, London, WC1A 1DU). For other suppliers, payment terms are agreed when goods and services are ordered, and payment is made according to those terms. The company's average creditor payment period at 31 December 1999 was 30 days (*1998: 30 days*).

### **Directors and directors' interests**

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

D G Bryant        (Chairman)  
G Grewer  
A F Hadman  
M H Killoran     (appointed 31 March 1999)  
B D Taylor       (resigned 31 March 1999)

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

## Directors' report *(continued)*

### Directors and directors' interests *(continued)*

The directors who held office at the end of the financial year 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 1999	Number of shares			Interest at 1 January 1999 or date of appointment
<b>Ordinary shares</b>					
A F Hadman	1				1
		Number of options during the year			
		Exercised	Granted	Lapsed	
<b>Share options</b>					
A F Hadman	197,681	-	20,000	-	177,681
<b>SAYE share options</b>					
A F Hadman	9,881	-	-	-	9,881

The interests of D G Bryant, M H Killoran and G Grewer are disclosed in the directors' report of the ultimate parent company.

The share options held are exercisable from October 1994 to April 2006, at prices ranging from 126p to 269p.

### Year 2000 statement

Following the date change the company's systems have continued to operate without problem or disruption. Furthermore the provision of services from third parties has continued smoothly. The Year 2000 project team will continue to monitor the situation, contingency plans being in place. The cost to the company of ensuring millennium compliance has not been material.

### Auditors

Pursuant to section 386 of the Companies Act 1985, an elective resolution to dispense with the obligation to appoint auditors annually was passed on 6 May 1997.

By order of the board



G Grewer  
Secretary

Persimmon House  
Fulford  
YORK  
YO19 4FE

3 March 2000

## **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 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 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.



**KPMG Audit Plc**

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Neville Street  
Leeds  
LS1 4DW

**Report of the auditors to the members of E.F.G.H. Limited**

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

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

**Basis of audit 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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Khuray Anwar Ali*

**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*

3 March 2000

**Profit and loss account**  
*for the year ended 31 December 1999*

	<i>Note</i>	<b>1999</b> <b>£000</b>	1998 £000
<b>Turnover</b>			
Continuing operations		<b>4,015</b>	1,869
Cost of sales		<b>(4,013)</b>	(1,815)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>2</b>	54
Net operating income/(expenses)		<b>46</b>	(16)
		<hr/>	<hr/>
<b>Operating profit</b>			
Continuing operations		<b>48</b>	38
Net interest receivable	2	<b>2</b>	4
		<hr/>	<hr/>
<b>Profit on ordinary activities before taxation</b>	3	<b>50</b>	42
Tax on ordinary activities	6	<b>(15)</b>	(13)
		<hr/>	<hr/>
<b>Balance transferred to reserves</b>	11	<b>35</b>	29
		<hr/> <hr/>	<hr/> <hr/>

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 year as shown above.

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

**Balance sheet**  
*at 31 December 1999*

	<i>Note</i>	<b>1999 £000</b>	<b>1998 £000</b>
<b>Fixed assets</b>			
Investments	7	-	-
<b>Current assets</b>			
Debtors	8	1,134	1,295
Cash at bank and in hand		1,589	52
		<b>2,723</b>	<b>1,347</b>
Creditors due within one year	9	<b>(2,010)</b>	<b>(669)</b>
<b>Net assets</b>		<b>713</b>	<b>678</b>
<b>Capital and reserves</b>			
Called up share capital	10	250	250
Profit and loss account	11	463	428
<b>Equity shareholders' funds</b>	12	<b>713</b>	<b>678</b>

These financial statements were approved by the board of directors on 3 March 2000 and were signed on its behalf by:



**G Grewer**  
*Director*



## 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 1 (Revised) 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 invoiced property maintenance income and property rentals receivable.

#### *Interest*

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

#### *Taxation*

Provision is made for tax on taxable profit, payments from 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.

### 2 Net interest receivable

	1999 £000	1998 £000
Other interest receivable	2	4

## Notes (continued)

### 3 Profit on ordinary activities before taxation

	1999 £000	1998 £000
<i>Profit on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditor's remuneration:		
Audit	2	1
Non audit	1	1
	<u>          </u>	<u>          </u>

### 4 Remuneration of directors

None of the directors received any remuneration from the company (1998: £Nil).

### 5 Staff numbers and costs

The company had no employees during the year (1998: Nil).

### 6 Tax on ordinary activities

	1999 £000	1998 £000
UK corporation tax at 30.25% (1998: 31 %)	15	13
	<u>          </u>	<u>          </u>

There is no potential liability to deferred taxation (1998: £Nil).

### 7 Fixed asset investments

	1999 £	1998 £
Shares in subsidiary undertakings	26	26
	<u>          </u>	<u>          </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 during the year.

## Notes (continued)

### 8 Debtors

	1999 £000	1998 £000
Trade debtors	148	33
Amounts owed by group undertakings	953	953
Prepayments and accrued income	33	309
	<u>1,134</u>	<u>1,295</u>

All debtors are due within one year.

### 9 Creditors due within one year

	1999 £000	1998 £000
Amounts owed to group undertakings	430	78
Corporation tax	55	22
Accruals and deferred income	1,525	569
	<u>2,010</u>	<u>669</u>

### 10 Called up share capital

	1999 £000	1998 £000
<i>Authorised</i>		
10,000,000 Ordinary shares of 10p each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
<i>Allotted, called up and fully paid</i>		
2,500,000 Ordinary shares of 10p each	250	250
	<u>250</u>	<u>250</u>

### 11 Reserves

	Profit and loss account £000
At 1 January 1999	428
Retained profit for the year	35
	<u>463</u>
At 31 December 1999	<u>463</u>

## Notes (continued)

### 12 Reconciliation of movements in shareholders' funds

	1999 £000	1998 £000
Profit for the financial year	35	29
Opening shareholders' funds	678	649
	<hr/>	<hr/>
Closing shareholders' funds	713	678
	<hr/>	<hr/>

### 13 Contingent liabilities

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

### 14 Commitments

At 31 December 1999, there were no capital commitments contracted for but not provided in the financial statements (1998: £Nil).

### 15 Related party disclosures

The company is controlled by Persimmon plc, its ultimate parent company.

### 16 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 financial statements of Persimmon plc are available to the public and may be obtained from:

The Company Secretary  
Persimmon plc  
Persimmon House  
Fulford  
YORK  
YO19 4FE