

Charles Church Southern Limited

**Directors' report and financial
statements**

Registered number 1710584

30 June 2001



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2001.

Results and dividends

The company did not trade in the year ended 30 June 2001 and consequently no profit and loss account has been prepared. The directors do not recommend the payment of a final dividend.

Directors and directors' interests

The directors who served during the year were as follows:

RM Cordy	(appointed 2 October 2000, resigned 14 June 2001)
NH Smith	(resigned 11 May 2001)
LE Garner	(resigned 1 October 2001)
DJ Smith	(resigned 19 March 2001)
JD Low	(resigned 1 June 2001)
G Grewer	(appointed 19 March 2001)
MH Killoran	(appointed 19 March 2001)
S Watt	(appointed 5 June 2001)
J White	(appointed 5 June 2001)

None of the directors had any interest in the share capital of the company during the year ended 30 June 2001. S Watt held 378 shares in Persimmon plc, the ultimate parent company, at 30 June 2001 and held options to purchase a further 190,618 shares. The interests of G Grewer, MH Killoran and J White are disclosed in the consolidated accounts of Persimmon plc.

Auditors

The company has elected to dispense with the laying of accounts before the company in general meeting, with holding an annual general meeting under Section 250 of the Companies Act 1985 to dispense with the requirement to appoint auditors.

By order of the board



TL Davison
Secretary

Persimmon House
Fulford
York
YO19 4FE

26 April 2002

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.

Balance sheet
at 30 June 2001

	<i>Note</i>	2001 £	2000 £
Current assets			
Debtors	2	100	100
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	4	100	100
		<hr/>	<hr/>

The notes on pages 4 to 5 form part of these accounts.

The company was a dormant company within the meaning of Section 250 of the Companies Act 1985 throughout the accounting period ended at the date of this balance sheet.

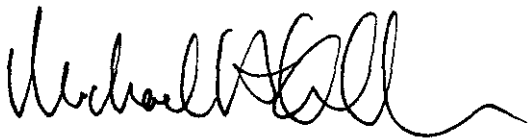
For the year ended 30 June 2001 the company was entitled to exemption under section 249 AA(1) of the Companies Act 1985.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The directors acknowledge their responsibility for :

- a) Ensuring the company keeps accounting records which comply with section 221;
- b) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company

These financial statements were approved by the board of directors on 26 April 2002 and were signed on its behalf by:



MH Killoran
Director

Notes

(forming part of the financial statements)

1 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 financial statements have been prepared on a going concern basis which assumes that its parent company will continue to provide financial support to the company and such support will not be withdrawn in the foreseeable future.

The company is exempt from the requirement of Financial Reporting Standard 1 (Revised) to prepared 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.

2 Debtors

	2001 £	2000 £
Amounts owed by group undertakings	100	100

3 Security

The Charles Church Group plc and its subsidiary undertakings, which include the company, ("the group") are financed by loans from their ultimate parent, Beazer Group Limited. These loans are secured by fixed equitable charges over the group's assets and are jointly and severally guaranteed by the group. The group's net indebtedness to Beazer Group Limited at 30 June 2001 amounted to £93,982,107 (2000: £51,011,107).

4 Called up share capital

	2001 £	2000 £
<i>Authorised</i>		
100 Ordinary shares of £1 each	100	100
<i>Allotted, called up and fully paid</i>		
100 Ordinary shares of £1 each	100	100

Notes *(continued)*

5 Ultimate controlling party

The company is a wholly owned subsidiary undertaking of Persimmon plc, incorporated in England and Wales.

The consolidated accounts of this company are available to the public and may be obtained from:

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