

McCarthy & Stone Quest Trustees Limited

Report and Accounts

31 August 2006



Registration number 3502006

McCarthy & Stone Quest Trustees Limited
Directors and Officers

DIRECTORS

T L Green
N G Calderwood
S E Cowan

SECRETARY

T L Green

REGISTERED OFFICE

Homelife House
26 - 32 Oxford Road
Bournemouth
Dorset

BANKERS

HBOS plc

SOLICITORS

Travers Smith
Snow Hill
London

McCarthy & Stone Quest Trustees Limited

Directors' Report

The directors present their report and accounts for the year ended 31 August 2006

Business Review

The company's business is as the corporate trustee of a qualifying employee share trust for the McCarthy & Stone Plc 'Savings Related Share Option Scheme'

Results and Dividends

The company has not traded during either the year ended 31 August 2006 or the previous year, therefore a Profit and Loss Account has not been presented. The directors do not recommend the payment of a dividend (2005 £nil)

Directors And Their Interests

A list of the present directors is shown on page 1

All the directors held office throughout the period covered by the accounts

No director has any interest in the share capital of the company

The interests of the directors in the share capital of the holding company at the year end were as follows

	At 31 August 2006		At 31 August 2005	
	Shares		Shares	
	Fully Paid	Options	Fully Paid	Options
T L Green	36,231	80,009	29,763	165,767
N G Calderwood	3,278	8,860	5,153	9,677
S E Cowan	-	-	-	-

McCarthy & Stone Quest Trustees Limited
Directors' Report

An analysis of the interest of the other directors in options on the holding company's Ordinary Shares is as follows -

	Share Options					31.08.06	Date Exercisable	Expiry Date	
	Exercise Price £	31.08.05	Granted in year	Exercised in year	Expired in year				
T L Green	2 490	2,710	-	2,710	-	-	07/06	12/06	b
	2 495	40,000	-	40,000	-	-	12/04	12/11	a
	2 755	2,402	-	-	-	2,402	07/07	12/07	b
	3 080	40,000	-	-	-	40,000	12/05	02/12	a
	4 970	34,000	-	-	34,000	-	11/06	11/13	a
	4 660	701	-	-	-	701	07/09	12/09	b
	5 500	45,954	-	-	10,125	35,829	11/07	11/14	a
	5 975	-	1,077	-	-	1,077	7/11	12/11	b
		<u>165,767</u>				<u>80,009</u>			
N G Calderwood	2 490	1,355	-	1,355	-	-	07/06	12/06	b
	2 755	1,201	-	-	-	1,201	07/07	12/07	b
	4 660	1,403	-	-	-	1,403	07/09	12/09	b
	4 600	718	-	-	-	718	07/10	12/10	b
	5 500	5,000	-	-	-	5,000	11/07	11/14	a
	5 975	-	538	-	-	538	7/11	12/11	b
		<u>9,677</u>				<u>8,860</u>			

Notes

- a) McCarthy & Stone Executive Share Option Schemes
- b) McCarthy & Stone Savings Related Share Option Schemes

This report was approved by the board on 26 June 2007

T L Green
Secretary

McCarthy & Stone Quest Trustees Limited
Statement of Directors' Responsibilities

Company law requires the directors to prepare accounts 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 of the company for that period. In preparing those accounts, the directors are required to

select suitable accounting policies and then apply them consistently,

make judgments and estimates that are reasonable and prudent,

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts,

prepare the accounts 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 accounts comply with the Companies Act 1985. 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

McCarthy & Stone Quest Trustees Limited
Balance Sheet
as at 31 August 2006

	Notes	2006 £	2005 £
Current assets			
Debtors	2	2	2
Net assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	3	2	2
Shareholders' funds		<u>2</u>	<u>2</u>

The company was dormant within the meaning of Section 250 of the Companies Act 1985 (as amended by Section 14 of the Companies Act 1989) throughout the period ended 31 August 2006

For the period ended 31 August 2006 the company was entitled to exemption under section 249aa(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 director's acknowledge their responsibility for (i) Ensuring the company keeps accounting records which comply with section 221, and (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its 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



N G Calderwood
 Director

Approved by the board on 26 June 2007

McCarthy & Stone Quest Trustees Limited
Notes to the Accounts
at 31 August 2006

1 Accounting policies

The following accounting policies have been used in dealing with items which are considered material in relation to the company accounts

Basis of preparation and change in accounting policy

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

2 Debtors

	2006 £	2005 £
Amounts owed by parent undertaking	2	2
	<u>2</u>	<u>2</u>

3 Share capital

	2006 £	2005 £
Authorised Ordinary shares of £1 each	<u>100</u>	<u>100</u>

	2006 No	2005 No	2006 £	2005 £
Allotted, called up and fully paid Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

4 Ultimate Parent Undertaking

At 31 August 2006 the company's ultimate parent undertaking was McCarthy & Stone plc, which is registered in England and Wales. At 31 August 2006 the consolidated accounts of McCarthy & Stone plc were those of both the smallest and largest group of which the company is a member and for which group accounts are prepared. Copies of the Group Accounts can be obtained from the Company Secretary, Homelife House, 26-32 Oxford Road, Bournemouth.

5 Post Balance Sheet Event

On 13 October 2006 the company's ultimate holding company, McCarthy and Stone plc was acquired by Mother Bidco Ltd.