

COMPANY REGISTRATION NUMBER 03898871

COMPANIES HOUSE

HERITAGE DESIGN AND BUILD (UK) LTD
FINANCIAL STATEMENTS
30 APRIL 2007



THE LEAMAN PARTNERSHIP LLP
Chartered Accountants & Registered Auditors
51 Queen Anne Street
London
W1G 9HS

HERITAGE DESIGN AND BUILD (UK) LTD

FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2007

CONTENTS	PAGE
The directors' report	1
Statement of directors' responsibilities	2
Independent auditor's report to the shareholders	3
Profit and loss account	5
Balance sheet	6
Notes to the financial statements	7
The following pages do not form part of the financial statements	
Detailed profit and loss account	12
Notes to the detailed profit and loss account	13

HERITAGE DESIGN AND BUILD (UK) LTD

THE DIRECTORS' REPORT

YEAR ENDED 30 APRIL 2007

The directors present their report and the financial statements of the company for the year ended 30 April 2007

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of property development and general construction

DIRECTORS

The directors who served the company during the year were as follows

B R Broome
M R Broome

AUDITOR

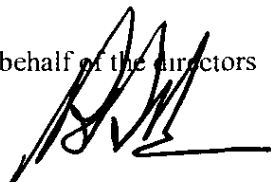
Rodgers Gupta were replaced by The Leaman Partnership LLP as auditors of the company. In accordance with section 385 of the Companies Act 1985, a resolution proposing that The Leaman Partnership LLP be re-appointed as auditors for the ensuing year will be proposed at the annual general meeting

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

Registered office
51 Queen Anne Street
London
W1G 9HS

Signed on behalf of the directors


B R Broome

Director

Approved by the directors on 4 December 2007

HERITAGE DESIGN AND BUILD (UK) LTD
STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 30 APRIL 2007

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgements 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 proper accounting records that 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

HERITAGE DESIGN AND BUILD (UK) LTD

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HERITAGE DESIGN AND BUILD (UK) LTD

YEAR ENDED 30 APRIL 2007

We have audited the financial statements of Heritage Design and Build (UK) Ltd for the year ended 30 April 2007 on pages 5 to 10, which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out on page 7

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

HERITAGE DESIGN AND BUILD (UK) LTD

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HERITAGE DESIGN AND BUILD (UK) LTD *(continued)*

YEAR ENDED 30 APRIL 2007

OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 April 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



THE I EAMAN PARTNERSHIP LLP

Chartered Accountants

& Registered Auditors

51 Queen Anne Street
London
W1G 9HS

4 December 2007

HERITAGE DESIGN AND BUILD (UK) LTD

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 APRIL 2007

	Note	2007 £	2006 £
TURNOVER		4,052,012	3,776,859
Cost of sales		<u>3,416,210</u>	<u>3,652,054</u>
GROSS PROFIT		635,802	124,805
Administrative expenses		<u>630,505</u>	<u>562,978</u>
OPERATING PROFIT/(LOSS)	2	5,297	(438,173)
Interest receivable		17,256	21,365
Interest payable and similar charges		(123)	—
		<hr/>	<hr/>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		22,430	(416,808)
Tax on profit/(loss) on ordinary activities		—	—
		<hr/>	<hr/>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		22,430	(416,808)
Balance brought forward		<u>(384,073)</u>	<u>32,735</u>
Balance carried forward		<u>(361,643)</u>	<u>(384,073)</u>

The notes on page 5 form part of these financial statements

HERITAGE DESIGN AND BUILD (UK) LTD

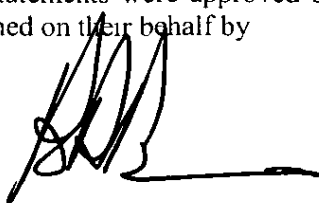
BALANCE SHEET

30 APRIL 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	3	13,179	9,984
CURRENT ASSETS			
Debtors	4	584,955	473,223
Cash at bank and in hand		16,459	1,420,000
		<u>601,414</u>	<u>1,893,223</u>
CREDITORS: Amounts falling due within one year	5	<u>976,136</u>	<u>2,287,180</u>
NET CURRENT LIABILITIES		(374,722)	(393,957)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(361,543)</u>	<u>(383,973)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	7	100	100
Profit and loss account		(361,643)	(384,073)
DEFICIT		<u>(361,543)</u>	<u>(383,973)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

These financial statements were approved by the directors and authorised for issue on 4 December 2007, and are signed on their behalf by



B R BROOME

The notes on page 6 form part of these financial statements

HERITAGE DESIGN AND BUILD (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Going concern

The directors have reviewed the company's latest management figures and cash flow projections and consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. Based upon this, they consider it appropriate to prepare the financial statements on the going concern basis.

Turnover

The turnover shown in the profit and loss account represents amounts derived from ordinary activities, and stated after trade discounts, other sales taxes and Value Added Tax.

In respect of long-term contracts and contracts for on-going services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to the stage of completion.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 20% straight line
Fixtures, Fittings & Equipment	- 20% straight line
Motor Vehicles	- 25% straight line

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.

HERITAGE DESIGN AND BUILD (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2007

2 OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging

	2007 £	2006 £
Directors' emoluments	327,894	316,644
Staff pension contributions	19,707	—
Depreciation of owned fixed assets	5,117	5,102
Auditor's fees	3,750	3,500

3 TANGIBLE FIXED ASSETS

	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST				
At 1 May 2006	250	17,277	4,377	21,904
Additions	—	8,312	—	8,312
Disposals	(250)	—	—	(250)
At 30 April 2007	—	25,589	4,377	29,966
DEPRECIATION				
At 1 May 2006	250	7,293	4,377	11,920
Charge for the year	—	5,117	—	5,117
On disposals	(250)	—	—	(250)
At 30 April 2007	—	12,410	4,377	16,787
NET BOOK VALUE				
At 30 April 2007	—	13,179	—	13,179
At 30 April 2006	—	9,984	—	9,984

4 DEBTORS

	2007 £	2006 £
Trade debtors	337,691	91,533
VAT recoverable	45,489	—
Other debtors	154,883	381,690
Directors loan accounts	46,892	—
	584,955	473,223

HERITAGE DESIGN AND BUILD (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2007

5 CREDITORS: Amounts falling due within one year

	2007	2006
	£	£
Bank loans and overdrafts	73,610	249,611
Trade creditors	191,482	239,354
Amounts owed to group undertakings	–	8,859
Other creditors including taxation and social security		
Payments received on account	255,612	1,504,508
PAYE and social security	79,217	53,598
Other creditors	7,027	5,011
Accruals and deferred income	369,188	226,239
	<u>976,136</u>	<u>2,287,180</u>

6. RELATED PARTY TRANSACTIONS

Barry Broome Associates is an Architectural practice in which B R Broome is a partner

Heritage Properties (GB) Limited is a company of which B R Broome is a director

Fenreal Holdings Limited is a company of which B K Marsh is a director and shareholder

B K Marsh is a director and shareholder of the company's parent company, HPP Holdings Limited

During the year, the company had the following transactions with related parties

Provided services to Heritage Properties (GB) Limited in the sum of £87,283 (2006 £Nil)

Purchase of architectural services from Barry Broome Associates in the sum of £246,000 (2006 £210,000)

Payment of rent to B R Broome for office services in the sum of £15,000 (2006 £Nil)

Payment of administrative services to Fenreal Holdings in the sum of £8,859 (2006 £8,859)

At the year-end, the company had the following balances with related parties

	2007	2006
	£	£
Debtors		
Heritage Properties (GB) Limited	52,931	Nil
Directors loan account		
B R Broome	46,892	136,351

The maximum balance outstanding on the directors loan account during the year was £136,351

This balance was repaid after the year end

HERITAGE DESIGN AND BUILD (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 APRIL 2007

7 SHARE CAPITAL

Authorised share capital:

	2007	2006
	£	£
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Allotted, called up and fully paid:

	2007		2006	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

8. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of HPP Holdings Ltd, a company registered in England