Company Number: 00759754

Haredon Developments Limited

Financial Statements

for the year ended 30th June 1996

Haredon Developments Limited

Company Information

Company No: 00759754

Registered Office

Haredon House
London Road
North Cheam
Surrey
SM3 9BS

Directors

D J Gleeson
P J Gleeson
J C Assender
C W McLellan (appointed 3rd January 1996)

Secretary

S L Seymour

Auditors

Brebner Allen & Trapp
The Quadrangle
180 Wardour Street
London
W1V 4LB

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The directors submit their report together with the audited financial statements for the year ended 30th June 1996.

Directors' Statement

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 for that year. In preparing those 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;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 which disclose, with reasonable accuracy at any time, the financial position of the company and to enable them to ensure 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.

Results and Dividends

The profit on the ordinary activities of the company before taxation amounted to £21,237. After deducting taxation, £15,254 has been transferred to reserves.

The directors do not recommend a dividend.

Principal Activity and Business Review

The principal activity of the Company during the year was the collection of ground rents on leasehold developments.

The level of rental income and administration costs for the current year are not expected to fluctuate unduly.

Directors

The directors, none of whom is beneficially interested in the shares of the company, who served during the year were as follows:

D J Gleeson
P J Gleeson
J C Assender
C W McLellan (appointed 3rd January 1996)

In accordance with the Articles of Association, J C Assender retires by rotation and, being eligible, offers himself for re-election.

The interests of P J Gleeson, D J Gleeson, J C Assender and C W McLellan in the shares of the ultimate parent company are disclosed in the directors' report of that company.

Auditors

The directors will put a resolution to the members at the annual general meeting to reappoint Brebner, Allen & Trapp as auditors.

By Order of the Board:

C W McLellan, Director

21st November 1996

Auditors' Report to the Shareholders

on the Accounts for the year ended 30th June 1996

We have audited the financial statements on pages 4 to 8, which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of the directors and auditors

As described on page 1 the company's directors are responsible for the preparation of the 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 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 30th June 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Brebner Allen & Trapp

Brebner Allen & Trapp
Chartered Accountants
and Registered Auditors

The Quadrangle
180 Wardour Street
London
W1V 4LB

21st November 1996

Haredon Developments Limited

Profit and Loss Account

for the year ended 30th June 1996

	Notes	1996 £	1995 £
Turnover	2	22,237	28,142
Administration expenses		(1,000)	(1,000)
Operating profit	3	21,237	27,142
Profit on ordinary activities before Taxation		21,237	27,142
Tax on profit on ordinary activities	5	(5,983)	(3,750)
Profit on ordinary activities after Taxation		15,254	23,392
Dividends	6	-	(11,000)
Retained profit transferred to reserves	11	15,254	12,392

All amounts relate to continuing activities.

There have been no recognised gains or losses, other than the results for the financial year, and all profits or losses have been accounted for on an historical cost basis.

Balance Sheet

as at 30th June 1996

	Notes	1996 £	1996 £	1995 £	1995 £
Current Assets					
Stock	7	191,942		191,942	
Debtors	8	98,507		93,528	
		290,449		285,470	
Creditors:					
Amounts falling due within one year	9	(4,707)		(14,982)	
Net Current Assets			285,742		270,488
Capital and Reserves					
Share capital	10		100		100
Profit and loss account	11		285,642		270,388
Shareholders' funds	12		285,742		270,488

Analysis of shareholders' funds

Equity interests			285,742		270,488

These accounts were approved by the board on 16th October 1996.

D J Gleeson

Director

1 Principal Accounting Policies

Accounting Convention

The Financial Statements have been prepared in accordance with applicable Accounting Standards under the historical cost convention.

Bases of Preparation

As the cashflow statement included in the consolidated accounts of the ultimate parent company complies with the conditions of FRS1 Cashflow Statements, the company is exempt from the requirement to prepare a separate cashflow statement.

Ground Rents

Ground Rents are valued on a consistent basis of 7.5 years purchase.

2 Turnover

The turnover and operating profit for the year was derived from the company's principal activity and was carried out wholly in the UK.

3 Operating Profit

The operating profit is stated after charging or crediting:

	1996	1995
	£	£
Amounts payable to the auditors in respect of audit services	1,000	1,000

4 Staff Costs

Directors' remuneration

All directors are employed and remunerated by M J Gleeson Group plc.

There were no employees during the year.

5 Tax on Profit on Ordinary Activities

	1996	1995
	£	£
Based on the profit for the year:		
U.K. Corporation tax at 25% (1995: 25%)	3,375	3,750
Subvention payment	2,608	-
	5,983	3,750

6 Dividends

	1996	1995
	£	£
Equity		
Ordinary shares - final proposed of £nil per share (1995 £11.00)	-	11,000

7 Stocks

	1996	1995
	£	£
Ground rents	191,942	191,942

8 Debtors

	1996	1995
	£	£
Amounts due from parent undertaking and fellow subsidiary undertakings	98,480	93,501
Other debtors	27	27
	98,507	93,528

9 Creditors: Amounts falling due within one year

	1996	1995
	£	£
Corporation tax	3,707	3,982
Dividends	-	11,000
Accruals	1,000	-
	4,707	14,982

10 Share Capital

Authorised

	1996	1995
	£	£
100 Ordinary shares of £1 each	100	100
	100	100

Allotted and fully paid

	1996	1995
	£	£
100 Ordinary shares of £1 each	100	100

11 Reserves

	Profit and Loss Account £
At 1st July 1995	270,388
Profit for the year	15,254
At 30th June 1996	285,642

12 Reconciliation of the movement in shareholders' funds

	1996 £	1995 £
Profit for the financial year	15,254	23,392
Dividends	-	(11,000)
	15,254	12,392
Increase in shareholders' funds	15,254	12,392
Opening shareholders' funds	270,488	258,096
Closing shareholders' funds	285,742	270,488

13 Ultimate Parent Undertaking

Haredon Developments Limited is a wholly-owned subsidiary of M J Gleeson Group plc (registered in England and Wales), its ultimate parent company.

A copy of the consolidated accounts of M J Gleeson Group plc may be obtained from the Company Secretary at Haredon House, London Road, North Cheam, Sutton, Surrey SM3 9BS.