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REGISTERED NUMBER 2865466 (England and Wales)

**VILLAGE DEVELOPMENTS PLC**  
**Report of the Directors and**  
**Consolidated Financial Statements**  
**for the Year Ended 31st July 2010**



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for the Year Ended 31st July 2010**

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**VILLAGE DEVELOPMENTS PLC**

**Company Information**  
**for the Year Ended 31st July 2010**

**DIRECTORS:**

N C Greenhalgh  
M S Greenhalgh

**SECRETARY:**

M S Greenhalgh

**REGISTERED OFFICE:**

Harewood House  
Outwood Lane  
Outwood  
Surrey  
RH1 5PN

**REGISTERED NUMBER:**

2865466 (England and Wales)

**AUDITORS:**

The Bailey Partnership  
Chartered Accountants  
Statutory Auditors  
Sterling House  
27 Hatchlands Road  
Redhill  
Surrey  
RH1 6RW

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER. 2865466)**

**Report of the Directors**  
**for the Year Ended 31st July 2010**

The directors present their report with the financial statements of the company and the group for the year ended 31st July 2010

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of property development

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements

**DIVIDENDS**

No dividends will be distributed for the year ended 31st July 2010

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st August 2009 to the date of this report

N C Greenhalgh  
M S Greenhalgh

**GROUP'S POLICY ON PAYMENT OF CREDITORS**

The group's policy is to agree terms of supply with its suppliers at the start of the trading relationship and to pay suppliers in accordance with those agreed terms. At 31 July 2010 the group had an average of 40 days (2009 40 days) purchases outstanding in trade creditors

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the period the group made charitable donations of £14,005 (2009 £4,388)

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)**

**Report of the Directors**  
**for the Year Ended 31st July 2010**

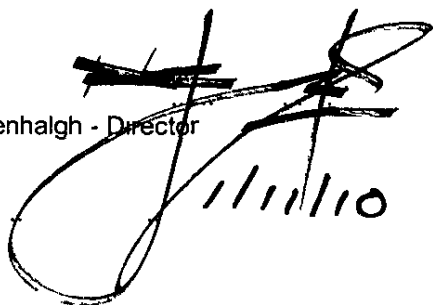
**AUDITORS**

The auditors, The Bailey Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**

N C Greenhalgh - Director

Date

A large, stylized handwritten signature in black ink, likely belonging to N C Greenhalgh, is written over the text. Below the signature, the date '11/11/10' is handwritten in black ink.

## **Report of the Independent Auditors to the Members of Village Developments Plc**

We have audited the financial statements of Village Developments Plc for the year ended 31st July 2010 on pages six to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

### **Opinion on financial statements**

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31st July 2010 and of the group's profit for the year then ended,
- the group financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Fundamental uncertainty**

In forming our opinion we have considered the adequacy of the disclosures made in the financial statements concerning the going concern basis of preparing the financial statements. The financial statements do not include any adjustments that would result from a failure to obtain planning. Details of the circumstances relating to this fundamental uncertainty are described in note 1. Our opinion is not qualified in this respect.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of  
Village Developments Plc**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Colin Bailey (Senior Statutory Auditor)  
for and on behalf of The Bailey Partnership  
Chartered Accountants  
Statutory Auditors  
Sterling House  
27 Hatchlands Road  
Redhill  
Surrey  
RH1 6RW

Date

11/11/10

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)**

**Consolidated Profit and Loss Account**  
**for the Year Ended 31st July 2010**

	Notes	2010 £	2009 £
<b>TURNOVER</b>		7,908,656	315,664
Cost of sales		7,072,279	1,089,306
<b>GROSS PROFIT/(LOSS)</b>		836,377	(773,642)
Administrative expenses		493,453	386,583
		342,924	(1,160,225)
Other operating income		-	10,926
<b>OPERATING PROFIT/(LOSS)</b>	3	342,924	(1,149,299)
Interest receivable and similar income		-	585
		342,924	(1,148,714)
Interest payable and similar charges	4	26,590	2,308
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		316,334	(1,151,022)
Tax on profit/(loss) on ordinary activities	5	(6,813)	(100,844)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION</b>		323,147	(1,050,178)

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profit for the current year and the loss for the previous year

The notes form part of these financial statements



**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER 2865466)****Consolidated Balance Sheet****31st July 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Intangible assets	7	747,386	801,661
Tangible assets	8	52,545	32,269
Investments	9	-	-
		<u>799,931</u>	<u>833,930</u>
<b>CURRENT ASSETS</b>			
Stocks	10	9,217,443	10,971,925
Debtors	11	2,392,950	995,295
Cash at bank and in hand		244	1,333
		<u>11,610,637</u>	<u>11,968,553</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>13,154,293</u>	<u>13,900,005</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,543,656)</u>	<u>(1,931,452)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(743,725)</u>	<u>(1,097,522)</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	<u>30,650</u>	<u>-</u>
<b>NET LIABILITIES</b>		<u><u>(774,375)</u></u>	<u><u>(1,097,522)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	50,000	50,000
Profit and loss account	18	<u>(824,375)</u>	<u>(1,147,522)</u>
<b>SHAREHOLDERS' FUNDS</b>	19	<u><u>(774,375)</u></u>	<u><u>(1,097,522)</u></u>

The financial statements were approved by the Board of Directors on  
on its behalf by

11/11/10

and were signed



N C Greenhalgh - Director

The notes form part of these financial statements

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)****Company Balance Sheet****31st July 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Intangible assets	7	-	-
Tangible assets	8	52,545	32,269
Investments	9	850,100	850,100
		<u>902,645</u>	<u>882,369</u>
<b>CURRENT ASSETS</b>			
Stocks	10	9,202,443	10,956,925
Debtors	11	2,392,950	994,123
Cash at bank and in hand		-	1,322
		<u>11,595,393</u>	<u>11,952,370</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	13,061,381	13,842,738
<b>NET CURRENT LIABILITIES</b>		<u>(1,465,988)</u>	<u>(1,890,368)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(563,343)</u>	<u>(1,007,999)</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	30,650	-
<b>NET LIABILITIES</b>		<u><u>(593,993)</u></u>	<u><u>(1,007,999)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	50,000	50,000
Profit and loss account	18	(643,993)	(1,057,999)
<b>SHAREHOLDERS' FUNDS</b>	19	<u><u>(593,993)</u></u>	<u><u>(1,007,999)</u></u>

11/11/10

The financial statements were approved by the Board of Directors on  
on its behalf by

and were signed



N C Greenhalgh - Director

The notes form part of these financial statements

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER. 2865466)****Consolidated Cash Flow Statement**  
**for the Year Ended 31st July 2010**

	Notes	2010 £	2009 £
Net cash outflow from operating activities	1	(162,696)	(3,191,860)
Returns on investments and servicing of finance	2	(26,590)	(1,723)
Taxation		9,774	(3,462)
Capital expenditure	2	(34,395)	-
		(213,907)	(3,197,045)
Financing	2	206,513	3,221,774
(Decrease)/Increase in cash in the period		(7,394)	24,729

**Reconciliation of net cash flow to movement in net debt**

	3		
(Decrease)/Increase in cash in the period		(7,394)	24,729
Cash inflow from increase in debt and lease financing		(296,208)	(2,974,513)
Change in net debt resulting from cash flows		(303,602)	(2,949,784)
Movement in net debt in the period		(303,602)	(2,949,784)
Net debt at 1st August		(9,757,062)	(6,807,278)
Net debt at 31st July		(10,060,664)	(9,757,062)

The notes form part of these financial statements

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER 2865466)**

**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 31st July 2010**

**1 RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES**

	2010 £	2009 £
Operating profit/(loss)	342,924	(1,149,299)
Depreciation charges	73,870	66,439
Profit on disposal of fixed assets	(5,477)	-
Decrease/(Increase) in stocks	1,754,482	(2,721,130)
(Increase)/Decrease in debtors	(1,318,087)	293,930
(Decrease)/Increase in creditors	(1,010,408)	318,200
<b>Net cash outflow from operating activities</b>	<b>(162,696)</b>	<b>(3,191,860)</b>

**2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	2010 £	2009 £
<b>Returns on investments and servicing of finance</b>		
Interest received	-	585
Interest paid	(24,254)	-
Interest element of hire purchase payments	(2,336)	(2,308)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(26,590)</b>	<b>(1,723)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(58,912)	-
Sale of tangible fixed assets	24,517	-
<b>Net cash outflow for capital expenditure</b>	<b>(34,395)</b>	<b>-</b>
<b>Financing</b>		
New loans in year	279,797	2,981,933
Capital repayments in year	16,411	(7,420)
Amount introduced by directors	-	247,261
Amount withdrawn by directors	(89,695)	-
<b>Net cash inflow from financing</b>	<b>206,513</b>	<b>3,221,774</b>

The notes form part of these financial statements

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)**

**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 31st July 2010**

**3 ANALYSIS OF CHANGES IN NET DEBT**

	At 1 8 09 £	Cash flow £	At 31 7 10 £
Net cash			
Cash at bank and in hand	1,333	(1,089)	244
Bank overdraft	-	(6,305)	(6,305)
	<u>1,333</u>	<u>(7,394)</u>	<u>(6,061)</u>
Debt			
Hire purchase	(27,060)	(16,411)	(43,471)
Debts falling due within one year	<u>(9,731,335)</u>	<u>(279,797)</u>	<u>(10,011,132)</u>
	<u>(9,758,395)</u>	<u>(296,208)</u>	<u>(10,054,603)</u>
Total	<u><u>(9,757,062)</u></u>	<u><u>(303,602)</u></u>	<u><u>(10,060,664)</u></u>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements**  
**for the Year Ended 31st July 2010**

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention

**Basis of consolidation**

The financial statements have been prepared under the going concern convention. The Directors consider that its land bank and planning applications going through the planning process are sufficient to return the balance sheet to a positive position.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2004, is being amortised evenly over its estimated useful life of twenty years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**2 STAFF COSTS**

	2010	2009
	£	£
Wages and salaries	94,000	60,000
Social security costs	7,948	7,680
	<u>101,948</u>	<u>67,680</u>

The average monthly number of employees during the year was as follows

	2010	2009
Administration	8	9
Direct	7	8
	<u>15</u>	<u>17</u>

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31st July 2010**

**3 OPERATING PROFIT/(LOSS)**

The operating profit (2009 - operating loss) is stated after charging/(crediting)

	2010 £	2009 £
Depreciation - owned assets	7,533	5,818
Depreciation - assets on hire purchase contracts	12,063	6,347
Profit on disposal of fixed assets	(5,477)	-
Goodwill amortisation	54,274	54,274
Auditors' remuneration	8,000	8,787
	<u>64,000</u>	<u>60,000</u>
Directors' remuneration	30,000	-
Compensation to director for loss of office	<u>30,000</u>	<u>-</u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	2010 £	2009 £
Interest on overdue tax	24,254	-
Hire purchase	2,336	2,308
	<u>26,590</u>	<u>2,308</u>

**5 TAXATION**

**Analysis of the tax credit**

The tax credit on the profit on ordinary activities for the year was as follows

	2010 £	2009 £
Current tax		
UK corporation tax	(6,813)	(100,844)
	<u>(6,813)</u>	<u>(100,844)</u>
Tax on profit/(loss) on ordinary activities	<u>(6,813)</u>	<u>(100,844)</u>

**6 PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £414,006 (2009 - £(962,426) loss)

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER. 2865466)****Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st July 2010****7 INTANGIBLE FIXED ASSETS****Group**Goodwill  
£**COST**At 1st August 2009  
and 31st July 2010

1,085,486

**AMORTISATION**At 1st August 2009  
Amortisation for year

283,826

54,274

At 31st July 2010

338,100

**NET BOOK VALUE**

At 31st July 2010

747,386

At 31st July 2009

801,660

**8 TANGIBLE FIXED ASSETS****Group**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st August 2009	11,453	16,331	45,135	80,096	153,015
Additions	-	-	48,250	10,662	58,912
Disposals	-	-	(45,135)	-	(45,135)
At 31st July 2010	11,453	16,331	48,250	90,758	166,792
<b>DEPRECIATION</b>					
At 1st August 2009	9,003	14,395	26,095	71,253	120,746
Charge for year	612	484	12,063	6,437	19,596
Eliminated on disposal	-	-	(26,095)	-	(26,095)
At 31st July 2010	9,615	14,879	12,063	77,690	114,247
<b>NET BOOK VALUE</b>					
At 31st July 2010	1,838	1,452	36,187	13,068	52,545
At 31st July 2009	2,450	1,936	19,040	8,843	32,269



**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)****Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st July 2010****8 TANGIBLE FIXED ASSETS - continued****Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
<b>COST</b>	
At 1st August 2009	45,135
Additions	48,250
Disposals	(45,135)
At 31st July 2010	48,250
<b>DEPRECIATION</b>	
At 1st August 2009	26,095
Charge for year	12,063
Eliminated on disposal	(26,095)
At 31st July 2010	12,063
<b>NET BOOK VALUE</b>	
At 31st July 2010	36,187
At 31st July 2009	19,040

**Company**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1st August 2009	11,453	16,331	45,135	80,096	153,015
Additions	-	-	48,250	10,662	58,912
Disposals	-	-	(45,135)	-	(45,135)
At 31st July 2010	11,453	16,331	48,250	90,758	166,792
<b>DEPRECIATION</b>					
At 1st August 2009	9,003	14,395	26,095	71,253	120,746
Charge for year	612	484	12,063	6,437	19,596
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At 31st July 2010	9,615	14,879	12,063	77,690	114,247
<b>NET BOOK VALUE</b>					
At 31st July 2010	1,838	1,452	36,187	13,068	52,545
At 31st July 2009	2,450	1,936	19,040	8,843	32,269

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER 2865466)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31st July 2010**

**8 TANGIBLE FIXED ASSETS - continued**

**Company**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows

	Motor vehicles £
<b>COST</b>	
At 1st August 2009	45,135
Additions	48,250
Disposals	(45,135)
At 31st July 2010	48,250
<b>DEPRECIATION</b>	
At 1st August 2009	26,095
Charge for year	12,063
Eliminated on disposal	(26,095)
At 31st July 2010	12,063
<b>NET BOOK VALUE</b>	
At 31st July 2010	36,187
At 31st July 2009	19,040

**9 FIXED ASSET INVESTMENTS**

**Company**

	Unlisted investments £
<b>COST</b>	
At 1st August 2009 and 31st July 2010	850,100
<b>NET BOOK VALUE</b>	
At 31st July 2010	850,100
At 31st July 2009	850,100

The group or the company's investments at the balance sheet date in the share capital of companies include the following

**Subsidiaries**

**Portgreen Properties Limited**

Nature of business Property development

	% holding	2010 £	2009 £
Class of shares	100 00		
Ordinary			
Aggregate capital and reserves		(151,742)	(142,662)
Loss for the year		(9,080)	(32,556)

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)****Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st July 2010****9 FIXED ASSET INVESTMENTS - continued****Village Affordable Housing Limited**

Nature of business Property development

Class of shares	% holding	2010	2009
Ordinary	100 00	£	£
Aggregate capital and reserves		74,074	101,578
Loss for the year		(27,504)	(923)

**10 STOCKS**

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Stocks	9,217,443	10,971,925	9,202,443	10,956,925

**11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	5,567	126,038	5,567	126,038
Other debtors	44,020	44,020	44,020	44,020
Amount due from related parties	416,595	426,722	416,595	426,722
Directors' loan accounts	456,768	367,073	456,768	367,073
VAT	-	23,289	-	22,117
Accrued income	1,470,000	-	1,470,000	-
Prepayments	-	8,153	-	8,153
	2,392,950	995,295	2,392,950	994,123

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts (see note 14)	10,017,437	9,731,335	10,017,437	9,731,335
Hire purchase contracts (see note 15)	12,821	27,060	12,821	27,060
Trade creditors	625,252	750,680	625,252	750,680
Amounts owed to group undertakings	-	-	268,395	304,188
Tax	21,971	19,010	20,951	12,250
Social security and other taxes	58,512	341,636	57,646	341,636
VAT	43,742	-	43,742	-
Other creditors	912,585	1,559,539	912,585	1,556,424
Amounts due to related parties	156	156	156	156
Accrued expenses	1,461,817	1,470,589	1,102,396	1,119,009
	13,154,293	13,900,005	13,061,381	13,842,738

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st July 2010**

**13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Hire purchase contracts (see note 15)	<u>30,650</u>	<u>-</u>	<u>30,650</u>	<u>-</u>

**14 LOANS**

An analysis of the maturity of loans is given below

	<b>Group</b>		<b>Company</b>	
	2010	2009	2010	2009
	£	£	£	£
Amounts falling due within one year or on demand				
Bank overdrafts	6,305	-	6,305	-
Bank loans	<u>10,011,132</u>	<u>9,731,335</u>	<u>10,011,132</u>	<u>9,731,335</u>
	<u>10,017,437</u>	<u>9,731,335</u>	<u>10,017,437</u>	<u>9,731,335</u>

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

**Group**

	<b>Hire purchase contracts</b>	
	2010	2009
	£	£
Gross obligations repayable		
Within one year	13,187	27,703
Between one and five years	<u>31,830</u>	<u>-</u>
	<u>45,017</u>	<u>27,703</u>
Finance charges repayable		
Within one year	366	643
Between one and five years	<u>1,180</u>	<u>-</u>
	<u>1,546</u>	<u>643</u>
Net obligations repayable		
Within one year	12,821	27,060
Between one and five years	<u>30,650</u>	<u>-</u>
	<u>43,471</u>	<u>27,060</u>

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31st July 2010**

**15 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS - continued**

**Company**

	Hire purchase contracts	
	2010 £	2009 £
Gross obligations repayable		
Within one year	13,187	27,703
Between one and five years	31,830	-
	<u>45,017</u>	<u>27,703</u>
Finance charges repayable		
Within one year	366	643
Between one and five years	1,180	-
	<u>1,546</u>	<u>643</u>
Net obligations repayable		
Within one year	12,821	27,060
Between one and five years	30,650	-
	<u>43,471</u>	<u>27,060</u>

**16 SECURED DEBTS**

The following secured debts are included within creditors

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Bank loans	<u>10,011,132</u>	<u>9,731,335</u>	<u>10,011,132</u>	<u>9,731,335</u>

**17 CALLED UP SHARE CAPITAL**

Number	Class	Nominal value £1	2010 £	2009 £
50,000	Ordinary		<u>50,000</u>	<u>50,000</u>

**18 RESERVES**

**Group**

	Profit and loss account £
At 1st August 2009	(1,147,522)
Profit for the year	323,147
At 31st July 2010	<u>(824,375)</u>

**VILLAGE DEVELOPMENTS PLC (REGISTERED NUMBER: 2865466)**

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 31st July 2010**

**18 RESERVES - continued**

**Company**

	Profit and loss account £
At 1st August 2009	(1,057,999)
Profit for the year	414,006
At 31st July 2010	<u>(643,993)</u>

**19 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

**Group**

	2010 £	2009 £
Profit/(Loss) for the financial year	323,147	(1,050,178)
<b>Net addition/(reduction) to shareholders' funds</b>	323,147	(1,050,178)
Opening shareholders' funds	(1,097,522)	(47,344)
<b>Closing shareholders' funds</b>	<u>(774,375)</u>	<u>(1,097,522)</u>

**Company**

	2010 £	2009 £
Profit/(Loss) for the financial year	414,006	(962,426)
<b>Net addition/(reduction) to shareholders' funds</b>	414,006	(962,426)
Opening shareholders' funds	(1,007,999)	(45,573)
<b>Closing shareholders' funds</b>	<u>(593,993)</u>	<u>(1,007,999)</u>