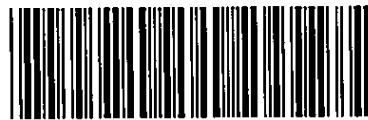


Abbreviated Accounts for the Year Ended 31 March 2007

for

Badger Building (E Anglia) Limited

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COMPANIES HOUSE

Badger Building (E Anglia) Limited

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for the Year Ended 31 March 2007

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Badger Building (E Anglia) Limited

Company Information
for the Year Ended 31 March 2007

DIRECTORS.

S D George
S R Lambert
P C Napthine

SECRETARY:

S D George

REGISTERED OFFICE

Stanley House
Stanley Street
Lowestoft
Suffolk
NR32 2DZ

REGISTERED NUMBER

02407008

AUDITORS

CUNNINGHAMS
Chartered Accountants
& Registered Auditors
Number Sixty One
Alexandra Road
Lowestoft
Suffolk
NR32 1PL

Badger Building (E. Anglia) Limited

Report of the Directors
for the Year Ended 31 March 2007

The directors present their report with the accounts of the company for the year ended 31 March 2007

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of housebuilding

REVIEW OF BUSINESS

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

The company has experienced a reasonable trading year with completions increasing from 53 units to 79 units

The increase in the number of completions is reflective of the demand for low to mid range priced properties and as such the average selling price per unit is lower than the previous year

Selling prices have generally followed the national trend. The company is fortunate to have a good land bank and with a lack of new homes being built locally, should bode well for the future

Increased planning requirements for new developments in terms of affordable housing provisions, educational contributions etc will have a material downward effect on margins in the mid to long term

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2007

FIXED ASSETS

Acquisitions and disposals of fixed assets during the period are recorded in the notes to the financial statements

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2006 to the date of this report

S D George
S R Lambert
P C Napthine

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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 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 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

Badger Building (E. Anglia) Limited

Report of the Directors
for the Year Ended 31 March 2007

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 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors CUNNINGHAMS, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

ON BEHALF OF THE BOARD


S D George - Secretary

Date 12th September 2007

Report of the Independent Auditors to
Badger Building (E. Anglia) Limited
Under Section 247B of the Companies Act 1985

We have examined the abbreviated accounts set out on pages five to fifteen, together with the financial statements of Badger Building (E. Anglia) Limited for the year ended 31 March 2007 prepared under Section 226 of the Companies Act 1985

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The Special Auditor's Report on Abbreviated Accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.

CUNNINGHAMS
Chartered Accountants
& Registered Auditors
Number Sixty One
Alexandra Road
Lowestoft
Suffolk
NR32 1PL

Date 20-09-2007

Badger Building (E Anglia) Limited

Abbreviated Profit and Loss Account
for the Year Ended 31 March 2007

	Notes	31 3 07 £	31 3 06 £
GROSS PROFIT		4,529,727	3,594,206
Administrative expenses		745,398	2,930,344
OPERATING PROFIT	3	3,784,329	663,862
Interest receivable and similar income		85,820	15,165
		3,870,149	679,027
Interest payable and similar charges	4	-	18,863
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		3,870,149	660,164
Tax on profit on ordinary activities	5	1,162,680	195,413
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		2,707,469	464,751

CONTINUING OPERATIONS

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

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these abbreviated accounts

Badger Building (E Anglia) Limited

Abbreviated Balance Sheet
31 March 2007

	Notes	31 3 07 £	31 3 06 £
FIXED ASSETS			
Tangible assets	6	284,143	245,176
CURRENT ASSETS			
Stocks	7	10,809,529	10,096,398
Debtors	8	540,420	584,288
Cash at bank and in hand		2,728,046	1,240,297
		<u>14,077,995</u>	<u>11,920,983</u>
CREDITORS			
Amounts falling due within one year	9	<u>4,175,073</u>	<u>4,692,078</u>
NET CURRENT ASSETS		<u>9,902,922</u>	<u>7,228,905</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,187,065</u>	<u>7,474,081</u>
PROVISIONS FOR LIABILITIES	12	<u>24,401</u>	<u>18,886</u>
NET ASSETS		<u><u>10,162,664</u></u>	<u><u>7,455,195</u></u>
CAPITAL AND RESERVES			
Called up share capital	13	4,832	4,832
Capital redemption reserve	14	168	168
Profit and loss account	14	<u>10,157,664</u>	<u>7,450,195</u>
SHAREHOLDERS' FUNDS	16	<u><u>10,162,664</u></u>	<u><u>7,455,195</u></u>

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies

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

12.9

2007 and were signed


S D George - Director


S R Lambert - Director

The notes form part of these abbreviated accounts

Badger Building (E. Anglia) Limited

Cash Flow Statement
for the Year Ended 31 March 2007

	Notes	31 3 07 £	31 3 06 £
Net cash inflow from operating activities	1	967,419	2,982,811
Returns on investments and servicing of finance	2	85,820	(3,698)
Taxation		(193,391)	(851,753)
Capital expenditure	2	(95,107)	(93,015)
		<u>764,741</u>	<u>2,034,345</u>
Financing	2	784,276	(138,169)
Increase in cash in the period		<u>1,549,017</u>	<u>1,896,176</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>1,549,017</u>	<u>1,896,176</u>
Change in net funds resulting from cash flows		<u>1,549,017</u>	<u>1,896,176</u>
Movement in net funds in the period		<u>1,549,017</u>	<u>1,896,176</u>
Net funds/(debt) at 1 April		853,940	(1,042,236)
Net funds at 31 March		<u>2,402,957</u>	<u>853,940</u>

The notes form part of these abbreviated accounts

Badger Building (E. Anglia) Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2007

1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31 3 07	31 3 06
	£	£
Operating profit	3,784,329	663,862
Depreciation charges	55,475	63,772
Loss/(Profit) on disposal of fixed assets	663	(1 200)
Increase in stocks	(713,131)	(422,634)
Decrease in debtors	43,868	266,848
(Decrease)/Increase in creditors	(2,203,785)	2,412,163
Net cash inflow from operating activities	967,419	2,982,811

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

	31 3 07	31 3 06
	£	£
Returns on investments and servicing of finance		
Interest received	85,820	15,165
Interest paid	-	(18,863)
Net cash inflow/(outflow) for returns on investments and servicing of finance	85,820	(3,698)
Capital expenditure		
Purchase of tangible fixed assets	(98,007)	(145,065)
Sale of tangible fixed assets	2,900	52,050
Net cash outflow for capital expenditure	(95,107)	(93,015)
Financing		
Amount introduced by directors	23,747	62,300
Amount withdrawn by directors	760,529	(200,469)
Net cash inflow/(outflow) from financing	784,276	(138,169)

The notes form part of these abbreviated accounts

Badger Building (E Anglia) Limited

Notes to the Cash Flow Statement
for the Year Ended 31 March 2007

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 4 06 £	Cash flow £	At 31 3 07 £
Net cash			
Cash at bank and in hand	1,240,297	1,487,749	2,728,046
Bank overdraft	(386,357)	61,268	(325,089)
	<u>853,940</u>	<u>1,549,017</u>	<u>2,402,957</u>
Total	<u>853,940</u>	<u>1,549,017</u>	<u>2,402,957</u>

The notes form part of these abbreviated accounts

Badger Building (E Anglia) Limited

Notes to the Abbreviated Accounts
for the Year Ended 31 March 2007

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Revenue recognition

Revenue represents the total sales of legally completed properties, excluding part exchange property resales (which are included within cost of sales) Revenue and profit on sales are recognised upon legal completion

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Plant and machinery	- 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Office equipment	- 25% on cost

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value Work in progress comprises direct materials labour costs, sub-contractor costs, site overheads and associated professional charges

Deferred tax

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

Licensed land prepayments

The Company makes payments when entering into license agreements for the right to build and sell houses on land owned by third parties Upon legal completion, the house purchaser makes a land payment to the third party and the balance of the sales proceeds is paid to the Company In some instances the Company has guaranteed certain payments at appropriate dates Where there are timing differences between the contracted payment terms and the profile of legal completions these are shown within current assets and liabilities

2 STAFF COSTS

	31 3 07	31 3 06
	£	£
Wages and salaries	1,201,569	3,147,954
Social security costs	130,259	378,539
	<u>1,331,828</u>	<u>3,526,493</u>

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

	31 3 07	31 3 06
Office & Management	13	10
Others	36	37
	<u>49</u>	<u>47</u>

Badger Building (E Anglia) Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2007

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	31 3 07	31 3 06
	£	£
Plant hire & consumables	129,036	126,523
Depreciation - owned assets	55,475	63,772
Loss/(Profit) on disposal of fixed assets	663	(1,200)
Auditors' remuneration	19,330	19,715
	<u> </u>	<u> </u>
Directors' emoluments	<u>216,584</u>	<u>2,195,551</u>

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
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Information regarding the highest paid director is as follows

	31 3 07	31 3 06
	£	£
Emoluments etc	<u>80,560</u>	<u>2,053,285</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	31 3 07	31 3 06
	£	£
Bank interest	<u>-</u>	<u>18,863</u>

5 TAXATION

Analysis of the tax charge

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

	31 3 07	31 3 06
	£	£
Current tax		
UK corporation tax	1,157,165	193,226
Deferred tax	<u>5,515</u>	<u>2,187</u>
Tax on profit on ordinary activities	<u>1,162,680</u>	<u>195,413</u>

Badger Building (E. Anglia) Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2007

5 TAXATION - continued

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below

	31 3 07	31 3 06
	£	£
Profit on ordinary activities before tax	<u>3,870,149</u>	<u>660,164</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2006 - 30%)	1,161,045	198,049
Effects of		
Expenses not deductible for tax purposes	1,195	650
Capital allowances for year in excess of depreciation	(5,714)	(2,653)
Small companies marginal relief capital allowance	-	(2,820)
Income not chargeable for tax purposes	(150)	-
Interest received (net)	<u>789</u>	<u>-</u>
Current tax charge	<u>1,157,165</u>	<u>193,226</u>

6 TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
COST					
At 1 April 2006	330,654	3,059	187,900	32,963	554,576
Additions	70,902	752	21,800	4,553	98,007
Disposals	<u>(10,500)</u>	<u>-</u>	<u>(10,450)</u>	<u>-</u>	<u>(20,950)</u>
At 31 March 2007	<u>391,056</u>	<u>3,811</u>	<u>199,250</u>	<u>37,516</u>	<u>631,633</u>
DEPRECIATION					
At 1 April 2006	203,218	1,487	76,167	28,530	309,402
Charge for year	27,100	440	25,088	2,847	55,475
Eliminated on disposal	<u>(8,592)</u>	<u>-</u>	<u>(8,795)</u>	<u>-</u>	<u>(17,387)</u>
At 31 March 2007	<u>221,726</u>	<u>1,927</u>	<u>92,460</u>	<u>31,377</u>	<u>347,490</u>
NET BOOK VALUE					
At 31 March 2007	<u>169,330</u>	<u>1,884</u>	<u>106,790</u>	<u>6,139</u>	<u>284,143</u>
At 31 March 2006	<u>127,436</u>	<u>1,572</u>	<u>111,733</u>	<u>4,433</u>	<u>245,174</u>

Badger Building (E. Anglia) Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2007

7 STOCKS

	31 3 07	31 3 06
	£	£
Land	6,158,744	5,296,356
Work in progress	4,517,885	4,062,885
Part exchange properties	132,900	737,157
	<u>10,809,529</u>	<u>10,096,398</u>

8 DEBTORS' AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 07	31 3 06
	£	£
Trade debtors	462,588	480,977
Other debtors	47,300	74,228
Prepayments and accrued income	30,532	29,083
	<u>540,420</u>	<u>584,288</u>

9 CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 07	31 3 06
	£	£
Bank loans and overdrafts (see note 10)	325,089	386,357
Trade creditors	518,648	425,922
Corporation tax	1,157,165	193,393
Social security and other taxes	49,397	46,384
Other creditors	120,696	2,362,699
Directors' current accounts	1,923,883	1,139,607
Accrued expenses	80,195	137,716
	<u>4,175,073</u>	<u>4,692,078</u>

10 LOANS

An analysis of the maturity of loans is given below

	31 3 07	31 3 06
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>325,089</u>	<u>386,357</u>

11 SECURED DEBTS

The following secured debts are included within creditors

	31 3 07	31 3 06
	£	£
Bank overdrafts	<u>325,089</u>	<u>386,357</u>

The bank overdraft is secured by a charge on the assets of the company and a limited guarantee from Mr S D George, a director

Badger Building (E Anglia) Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2007

12 PROVISIONS FOR LIABILITIES

		31 3 07	31 3 06
		£	£
Deferred tax		<u>24,401</u>	<u>18,886</u>
			Deferred tax
			£
Balance at 1 April 2006			18,886
Depreciation in excess of capital allowances			<u>5,515</u>
Balance at 31 March 2007			<u>24,401</u>

13 CALLED UP SHARE CAPITAL

Authorised				
Number	Class	Nominal value	31 3 07	31 3 06
		£1	£	£
5,000	Ordinary		<u>5,000</u>	<u>5,000</u>
Allotted, issued and fully paid				
Number	Class	Nominal value	31 3 07	31 3 06
		£1	£	£
4,832	Ordinary		<u>4,832</u>	<u>4,832</u>

14 RESERVES

	Profit and loss account	Capital redemption reserve	Totals
	£	£	£
At 1 April 2006	7,450,195	168	7,450,363
Profit for the year	<u>2,707,469</u>		<u>2,707,469</u>
At 31 March 2007	<u>10,157,664</u>	<u>168</u>	<u>10,157,832</u>

15 TRANSACTIONS WITH DIRECTORS

The company is controlled by the director, Mr S D George

Mr S D George purchased 2 housing units, classified as social housing, from the company for a total of £110,980 on normal commercial terms

Badger Building (E. Anglia) Limited

Notes to the Abbreviated Accounts - continued
for the Year Ended 31 March 2007

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31 3 07	31 3 06
	£	£
Profit for the financial year	2,707,469	464,751
Net addition to shareholders' funds	2,707,469	464,751
Opening shareholders' funds	7,455,195	6,990,444
Closing shareholders' funds	10,162,664	7,455,195