

Jones Homes (Southern) Limited

Report and Accounts

Year Ended 30 April 1997

Company Reg no:3118389



Jones Homes (Southern) Limited

Report and Accounts

Year Ended 30 April 1997

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Jones Homes (Southern) Limited

Report of the Directors

Year Ended 30 April 1997

The Directors present herewith the audited accounts for the year ended 30 April 1997.

1 Results and Dividends

The net profit for the year was £121770. The Directors recommend that no dividend be paid.

2 Principal Activities

The company's principal activity during the year was property development.

3 Directors and Their Interests

The Directors who served during the year and their interests in the shares of the company were as follows:

J. Smith	(Non-Executive Chairman)
P.E. Jones	
A.J. White	
M.A. Schuler	
L.D. Marshall	(appointed 2 May 1997)

The Directors held no beneficial interest in the shares of the company. Mr P.E. Jones holds a beneficial interest in the shares of the company's ultimate holding company, which are disclosed in the accounts of that company.

4 Statement of Directors' Responsibilities

The Directors are required by United Kingdom company law to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and the profit or loss of the company for that year. For this purpose it is necessary to make both judgements and estimates and this is done on a reasonable and prudent basis.

In preparing the accounts the going concern basis has been applied, suitable accounting policies have been used and applied consistently, and applicable accounting standards have been followed, subject to any material departures disclosed and explained.

The Directors are also responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and which 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Jones Homes (Southern) Limited

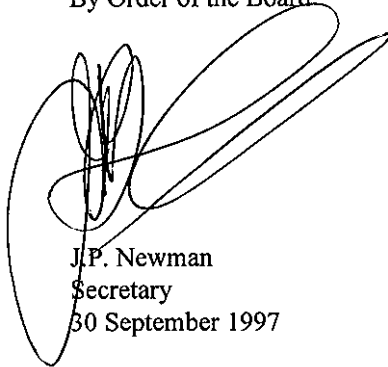
Report of the Directors

Year Ended 30 April 1997

5 Auditors

In accordance with Section 386 of the Companies Act 1985, by an elective resolution of the company, Pannell Kerr Forster, Chartered Accountants, are deemed re-appointed as auditors for the succeeding year.

By Order of the Board

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

J.P. Newman
Secretary
30 September 1997

Jones Homes (Southern) Limited

Profit and Loss Account

Year Ended 30 April 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
Turnover	1	2,530,521	0
Cost of sales		(1,918,500)	(3,349)
Gross profit/(loss)		612,021	(3,349)
Net operating expenses	2	(237,645)	(73,330)
Interest payable	3	(192,009)	(6,504)
Profit/(loss) on ordinary activities before taxation	4	182,367	(83,183)
Tax on profit/(loss) on ordinary activities	7	(60,597)	27,375
Profit/(loss) for the financial year after taxation		121,770	(55,808)
Retained (loss)/profit brought forward		(55,808)	0
Retained profit/(loss) carried forward		<u>65,962</u>	<u>(55,808)</u>

The above figures relate exclusively to continuing operations.

The company has no recognised gains or losses or movements in shareholders' funds other than the profit for the year.

Jones Homes (Southern) Limited

Balance Sheet

As at 30 April 1997

	<u>Notes</u>	<u>1997</u>	<u>1996</u>
		£	£
Fixed Assets			
Tangible fixed assets	8	210,841	0
Current Assets			
Stocks	9	5,037,284	859,321
Debtors	10	1,427,037	30,818
Cash at bank and in hand		650	0
		<u>6,464,971</u>	<u>890,139</u>
Creditors: amounts falling due within one year	11	6,609,848	945,945
		<u></u>	<u></u>
Net Current Liabilities		(144,877)	(55,806)
		<u></u>	<u></u>
Total Assets less Current Liabilities		<u><u>65,964</u></u>	<u><u>(55,806)</u></u>
Capital and Reserves			
Called up share capital	12	2	2
Profit and loss account	13	65,962	(55,808)
		<u></u>	<u></u>
Equity Shareholders' Funds		<u><u>65,964</u></u>	<u><u>(55,806)</u></u>

Approved by the Board on 30 September 1997



M.A. Schuler
Director

Jones Homes (Southern) Limited

Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items considered material to the company's affairs:

Basis of accounting

The accounts are prepared under the historic cost convention and in accordance with applicable accounting standards.

Tangible fixed assets

Depreciation is provided at a rate calculated to write off the cost of the asset over its expected useful life. Leasehold buildings are depreciated at 1% per annum on cost, and fixtures and fittings are depreciated at 15% per annum on cost.

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

No liability for UK deferred taxation to date is likely to arise in the next three years or thereafter so far as can reasonably be foreseen and accordingly no provision has been made in the accounts.

Jones Homes (Southern) Limited

Notes to the Accounts

1 Turnover

Turnover comprises invoiced sales for the year.

	<u>1997</u> £	<u>1996</u> £
2 <u>Operating costs</u>		
Administration costs	237,645	73,330
Other operating income	0	0
	<u>237,645</u>	<u>73,330</u>

3 Interest payable

Interest on bank overdrafts	<u>(192,009)</u>	<u>(6,504)</u>
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4 Profit on ordinary activities before taxation

is after charging:		
Depreciation of tangible fixed assets	<u>6,320</u>	<u>0</u>
and is after crediting:		
Rental income	<u>0</u>	<u>0</u>

5 Directors' emoluments

During the year the Directors neither received nor were due to receive any emoluments from the company.

6 Employees

Staff costs during the year were:

Wages and salaries	122,564	39,417
Social security costs	11,989	4,021
Other pension costs	3,560	0
	<u>138,113</u>	<u>43,438</u>

The average weekly number of persons employed by the company during the year was	<u>6</u>	<u>2</u>
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7 Tax on (loss)/profit on ordinary activities

Current year: corporation tax at 33%	1,454	0
Current year: group relief	59,143	(27,375)
	<u>60,597</u>	<u>(27,375)</u>

Jones Homes (Southern) Limited

Notes to the Accounts

8 Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Total £
<u>Cost</u>			
At 1 May 1996	0	0	0
Additions	187,597	29,564	217,161
Disposals	0	0	0
	<hr/>	<hr/>	<hr/>
At 30 April 1997	<u>187,597</u>	<u>29,564</u>	<u>217,161</u>
<u>Depreciation</u>			
At 1 May 1996	0	0	0
Charge for the year	1,878	4,442	6,320
Disposals	0	0	0
	<hr/>	<hr/>	<hr/>
At 30 April 1997	<u>1,878</u>	<u>4,442</u>	<u>6,320</u>
<u>Net Book Value</u>			
As at 30 April 1997	<u>185,719</u>	<u>25,122</u>	<u>210,841</u>
As at 30 April 1996	<u>0</u>	<u>0</u>	<u>0</u>
	<hr/>	<hr/>	<hr/>
	<u>1997</u>		<u>1996</u>
	£		£

9 Stocks

Land	4,069,509	859,200
Work in progress	967,775	121
	<hr/>	<hr/>
	<u>5,037,284</u>	<u>859,321</u>

10 Debtors

Amounts falling due within one year

Trade debtors	1,106,505	0
Amounts owed by group undertakings	27,375	27,375
Other debtors	224,326	848
Prepayments and accrued income	68,831	2,595
	<hr/>	<hr/>
	<u>1,427,037</u>	<u>30,818</u>

Jones Homes (Southern) Limited

Notes to the Accounts

11 Creditors: amounts falling due within one year

	<u>1997</u>	<u>1996</u>
	£	£
Bank loans and overdrafts	5,829,118	907,741
Trade creditors	42,155	0
Amounts owed to group undertakings	116,189	28,638
Corporation Tax	1,454	0
Other creditors	60,963	3,566
Accruals	559,969	6,000
	<hr/>	<hr/>
	<u>6,609,848</u>	<u>945,945</u>

12 Called up share capital

	Authorised £	Allotted and fully paid £
Ordinary shares of £1 each	<u>10,000</u>	<u>2</u>

There was no change in share capital during the year.

13 Profit and loss account

The movement on the profit and loss account is shown on page 3.

14 Contingent liabilities

	<u>1997</u>	<u>1996</u>
	£	£
There are contingent liabilities outstanding in respect of bank and loan facilities for group undertakings guaranteed by the company	<u>2,301,196</u>	<u>0</u>

15 Parent undertaking and controlling parties

The company's parent company and controlling party is P E Jones (Contractors) Limited, a company incorporated in England.

The company's ultimate parent company and ultimate controlling party is Emerson Developments (Holdings) Limited, a company incorporated in England.

The results of the company are included in the consolidated accounts of Emerson Developments (Holdings) Limited. A copy of these accounts may be obtained from The Registrar of Companies, Companies House, Crown Way, Cardiff.

The company has taken advantage of the exemption conferred on 90% subsidiaries by FRS8, in relation to transactions with Group companies.

Jones Homes (Southern) Limited

Auditors' Report to the Shareholders of

Jones Homes (Southern) Limited

We have audited the financial statements on pages 3 to 8.

Respective responsibilities of 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. 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 April 1997 and of the profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Pannell Kerr Forster

Pannell Kerr Forster
Chartered Accountants and Registered Auditors
Manchester
17 October 1997