

REGISTERED NUMBER: 02407008 (England and Wales)

Abbreviated Accounts for the Year Ended 31 March 2008

for

Badger Building (E. Anglia) Limited

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**Badger Building (E. Angha) Limited**

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for the Year Ended 31 March 2008**

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**Badger Building (E Anglia) Limited**

**Company Information**  
**for the Year Ended 31 March 2008**

**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 (England and Wales)

**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 2008**

The directors present their report with the accounts of the company for the year ended 31 March 2008

**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 but with completions decreasing from 72 units to 57 units

The decrease in the number of completions is reflective of the current market situation

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 2008

**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 2007 to the date of this report

S D George  
S R Lambert  
P C Napthine

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

During the year the company made charity donations totalling £1,386

**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 2008**

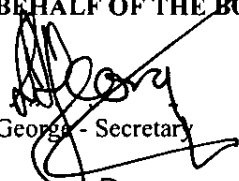
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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 10th September 2008

**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 fourteen, together with the financial statements of Badger Building (E Anglia) Limited for the year ended 31 March 2008 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 12-09-2008

**Badger Building (E. Anglia) Limited**

**Abbreviated Profit and Loss Account**  
**for the Year Ended 31 March 2008**

	Notes	31 3 08 £	31 3 07 £
<b>GROSS PROFIT</b>		4,060,698	4,529,727
Administrative expenses		<u>3,502,916</u>	<u>745,398</u>
<b>OPERATING PROFIT</b>	3	557,782	3,784,329
Interest receivable and similar income		<u>122,873</u>	<u>85,820</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		680,655	3,870,149
Tax on profit on ordinary activities	4	<u>203,806</u>	<u>1,162,680</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<u><u>476,849</u></u>	<u><u>2,707,469</u></u>

**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 2008**

	Notes	31 3 08 £	£	31 3 07 £	£
<b>FIXED ASSETS</b>					
Tangible assets	5		381,207		284,143
<b>CURRENT ASSETS</b>					
Stocks	6	14,004,209		10,809,529	
Debtors	7	249,290		540,420	
Cash at bank and in hand		1,749,905		2,728,046	
		<u>16,003,404</u>		<u>14,077,995</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>5,712,291</u>		<u>4,175,073</u>	
<b>NET CURRENT ASSETS</b>			<u>10,291,113</u>		<u>9,902,922</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			10,672,320		10,187,065
<b>PROVISIONS FOR LIABILITIES</b>	11		<u>32,807</u>		<u>24,401</u>
<b>NET ASSETS</b>			<u><u>10,639,513</u></u>		<u><u>10,162,664</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	12		4,832		4,832
Capital redemption reserve	13		168		168
Profit and loss account	13		<u>10,634,513</u>		<u>10,157,664</u>
<b>SHAREHOLDERS' FUNDS</b>	15		<u><u>10,639,513</u></u>		<u><u>10,162,664</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 *10th September* 2008 and were signed on its behalf by

  
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 2008**

	Notes	31 3 08 £	31 3 07 £
Net cash inflow from operating activities	1	844,318	967,419
Returns on investments and servicing of finance	2	122,873	85,820
Taxation		(1,157,165)	(193,391)
Capital expenditure	2	(165,245)	(95,107)
		(355,219)	764,741
Financing	2	(574,574)	784,276
(Decrease)/Increase in cash in the period		(929,793)	1,549,017
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/Increase in cash in the period		(929,793)	1,549,017
Change in net funds resulting from cash flows		(929,793)	1,549,017
Movement in net funds in the period		(929,793)	1,549,017
Net funds at 1 April		2,402,957	853,940
Net funds at 31 March		1,473,164	2,402,957

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 2008**

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

	31 3 08	31 3 07
	£	£
Operating profit	557,782	3,784,329
Depreciation charges	84,027	55,475
(Profit)/Loss on disposal of fixed assets	(15,846)	663
Increase in stocks	(3,194,680)	(713,131)
Decrease in debtors	291,130	43,868
Increase/(Decrease) in creditors	3,121,905	(2,203,785)
<b>Net cash inflow from operating activities</b>	<b>844,318</b>	<b>967,419</b>

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

	31 3 08	31 3 07
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	122,873	85,820
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>122,873</b>	<b>85,820</b>
 <b>Capital expenditure</b>		
Purchase of tangible fixed assets	(196,245)	(98,007)
Sale of tangible fixed assets	31,000	2,900
<b>Net cash outflow for capital expenditure</b>	<b>(165,245)</b>	<b>(95,107)</b>
 <b>Financing</b>		
Amount introduced by directors	287,500	23,747
Amount withdrawn by directors	(862,074)	760,529
<b>Net cash (outflow)/inflow from financing</b>	<b>(574,574)</b>	<b>784,276</b>

**3 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1 4 07	Cash flow	At
	£	£	31 3 08
			£
Net cash			
Cash at bank and in hand	2,728,046	(978,141)	1,749,905
Bank overdraft	(325,089)	48,348	(276,741)
	<b>2,402,957</b>	<b>(929,793)</b>	<b>1,473,164</b>
 Total	<b>2,402,957</b>	<b>(929,793)</b>	<b>1,473,164</b>

The notes form part of these abbreviated accounts

**Badger Building (E. Anglia) Limited**

**Notes to the Abbreviated Accounts**  
**for the Year Ended 31 March 2008**

**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 and 15% on cost
Fixtures and fittings	- 20% on reducing balance and 10% on cost
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 08	31 3 07
	£	£
Wages and salaries	3,612,306	1,201,569
Social security costs	436,869	130,259
	<u>4,049,175</u>	<u>1,331,828</u>

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

	31 3 08	31 3 07
Office and Management	14	13
Others	42	36
	<u>56</u>	<u>49</u>

**Badger Building (E Anglia) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2008**

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	31 3 08	31 3 07
	£	£
Plant hire and consumables	93,119	129,036
Depreciation - owned assets	84,027	55,475
(Profit)/Loss on disposal of fixed assets	(15,846)	663
Auditors' remuneration	20,000	19,330
Auditors' remuneration for non audit work	5,000	-
	<u>2,566,146</u>	<u>216,584</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 08	31 3 07
	£	£
Emoluments etc	<u>2,413,555</u>	<u>80,560</u>

**4 TAXATION**

**Analysis of the tax charge**

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

	31 3 08	31 3 07
	£	£
Current tax		
UK corporation tax	195,400	1,157,165
Deferred tax	8,406	5,515
Tax on profit on ordinary activities	<u>203,806</u>	<u>1,162,680</u>

**Badger Building (E. Anglia) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2008**

**4 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 08	31 3 07
	£	£
Profit on ordinary activities before tax	<u>680,655</u>	<u>3,870,149</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2007 - 30%)	204,197	1,161,045
Effects of		
Expenses not deductible for tax purposes	1,931	1,195
Capital allowances for year in excess of depreciation	(8,406)	(5,714)
Small companies marginal relief	(2,276)	-
Income not chargeable	(46)	(150)
Interest received (net)	-	789
Current tax charge	<u>195,400</u>	<u>1,157,165</u>

**5 TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
<b>COST</b>					
At 1 April 2007	391,056	3,811	199,250	37,516	631,633
Additions	134,739	224	61,282	-	196,245
Disposals	<u>(60,848)</u>	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>(70,848)</u>
At 31 March 2008	<u>464,947</u>	<u>4,035</u>	<u>250,532</u>	<u>37,516</u>	<u>757,030</u>
<b>DEPRECIATION</b>					
At 1 April 2007	221,726	1,927	92,460	31,377	347,490
Charge for year	47,891	399	33,614	2,123	84,027
Eliminated on disposal	<u>(49,790)</u>	<u>-</u>	<u>(5,904)</u>	<u>-</u>	<u>(55,694)</u>
At 31 March 2008	<u>219,827</u>	<u>2,326</u>	<u>120,170</u>	<u>33,500</u>	<u>375,823</u>
<b>NET BOOK VALUE</b>					
At 31 March 2008	<u>245,120</u>	<u>1,709</u>	<u>130,362</u>	<u>4,016</u>	<u>381,207</u>
At 31 March 2007	<u>169,330</u>	<u>1,884</u>	<u>106,790</u>	<u>6,139</u>	<u>284,143</u>

**Badger Building (E. Anglia) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2008**

**6 STOCKS**

	31 3 08	31 3 07
	£	£
Land	7,865,684	6,158,744
Work in progress	6,093,525	4,517,885
Part exchange properties	45,000	132,900
	<u>14,004,209</u>	<u>10,809,529</u>

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

	31 3 08	31 3 07
	£	£
Trade debtors	131,776	462,588
Other debtors	77,626	47,300
Prepayments and accrued income	39,888	30,532
	<u>249,290</u>	<u>540,420</u>

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

	31 3 08	31 3 07
	£	£
Bank loans and overdrafts (see note 9)	276,741	325,089
Trade creditors	947,749	518,648
Corporation tax	195,400	1,157,165
Social security and other taxes	62,460	49,397
Other creditors	2,759,862	120,696
Directors' current accounts	1,349,309	1,923,883
Accrued expenses	120,770	80,195
	<u>5,712,291</u>	<u>4,175,073</u>

**9 LOANS**

An analysis of the maturity of loans is given below

	31 3 08	31 3 07
	£	£
Amounts falling due within one year or on demand		
Bank overdrafts	<u>276,741</u>	<u>325,089</u>

**10 SECURED DEBTS**

The following secured debts are included within creditors

	31 3 08	31 3 07
	£	£
Bank overdrafts	<u>276,741</u>	<u>325,089</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 Angha) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2008**

**11 PROVISIONS FOR LIABILITIES**

	31 3 08	31 3 07
	£	£
Deferred tax	<u>32,807</u>	<u>24,401</u>
		Deferred tax
		£
Balance at 1 April 2007		24,401
Depreciation in excess of capital allowances		<u>8,406</u>
Balance at 31 March 2008		<u>32,807</u>

**12 CALLED UP SHARE CAPITAL**

Authorised				
Number	Class	Nominal value	31 3 08	31 3 07
		£1	£	£
5,000	Ordinary		<u>5,000</u>	<u>5,000</u>
Allotted, issued and fully paid				
Number	Class	Nominal value	31 3 08	31 3 07
		£1	£	£
4,832	Ordinary		<u>4,832</u>	<u>4,832</u>

**13 RESERVES**

	Profit and loss account	Capital redemption reserve	Totals
	£	£	£
At 1 April 2007	10,157,664	168	10,157,832
Profit for the year	<u>476,849</u>		<u>476,849</u>
At 31 March 2008	<u>10,634,513</u>	<u>168</u>	<u>10,634,681</u>

**14 TRANSACTIONS WITH DIRECTORS**

Mr S D George purchased a residential unit from the company for £180,00 as valued by James Aldridge Chartered Surveyors and spent a further £20,250 in fit out costs

**Badger Building (E Anglia) Limited**

**Notes to the Abbreviated Accounts - continued**  
**for the Year Ended 31 March 2008**

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

	31 3 08	31 3 07
	£	£
Profit for the financial year	476,849	2,707,469
	<hr/>	<hr/>
Net addition to shareholders' funds	476,849	2,707,469
Opening shareholders' funds	10,162,664	7,455,195
	<hr/>	<hr/>
Closing shareholders' funds	10,639,513	10,162,664
	<hr/>	<hr/>

**16 CONTROLLING PARTY**

The Company is controlled by the Director, Mr S D George, both this year and last

**17 BLUNDESTON DEVELOPMENTS LIMITED**

The company is acquiring the share capital of Blundeston Developments Limited in exchange for shares in this company. The shares will be valued on a net asset basis. The transaction will have effect from 1st April 2008 with the shares being issued in September 2008.

Mr S D George and members of his family own the share capital of Blundeston Developments Limited.