

BARRATT SOUTH WEST LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE FOURTEEN MONTHS ENDED 30th JUNE 1984

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BARRATT SOUTH WEST LIMITED

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the financial statements for the 14 months ended 30th June 1984.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The company was incorporated on 27th April 1983 and commenced trading from 1st July 1983. The principal activities of the company were building and development.

On 1st June 1984 the trade, assets and liabilities of the company were transferred to Barratt Bristol Limited, a fellow subsidiary.

LOSS AND APPROPRIATIONS

The loss for the period after taxation and extraordinary items was £152,403. No dividend has been proposed and the deficit of £152,403 is carried forward.

TAXATION

The company does not fall within the close company provisions of the Income and Corporation Taxes Act 1970.

DIRECTORS

The directors of the company who held office during the period were:

K.A. Janes (Chairman - appointed 27th April 1983
resigned 19th March 1984)
T.P. Hartley (Chairman - appointed 1st April 1984)
P. Burnett (appointed 9th June 1983)
J.A. Wood (appointed 9th June 1983)
B.J. Bassett (appointed 9th June 1983
resigned 18th September 1984)
K.M. Owen (appointed 9th June 1983
removed 29th February 1984)
V.A. Schwartz (appointed 8th June 1984)

Messrs. T.P. Hartley, P. Burnett, J.A. Wood, B.J. Bassett and V.A. Schwartz, having been appointed during the period, retire, and being eligible, offer themselves for re-election.

Mr. T. P. Hartley is a director of Barratt Developments PLC and his shareholding in that company is disclosed in the directors' report of that company.

Mr. P. Burnett is a director of Barratt Midlands Limited and his holding of shares in the parent company, Barratt Developments PLC, is shown in the directors' report of that company.

BARRATT SOUTH WEST LIMITED

DIRECTORS' REPORT (continued)

On 21st November 1979 the shareholders of Barratt Developments PLC approved an employee share participation scheme within the terms of the Finance Act 1978. At the date of this report, directors holdings of shares in Barratt Developments PLC arising from this scheme, other than Messrs Hartley and Burnett, were:

		1984	at date of appointment
J.A. Wood	ordinary shares	2,636	2,320
B.J. Bassett	ordinary shares	-	-
V.A. Schwartz	ordinary shares	1,430	1,430

No contracts of significance in relation to the company's business in which the directors of the company had an interest subsisted at any time during the year.

THE EMPLOYMENT OF DISABLED PERSONS

It is the company's policy to give fair consideration to the employment need of disabled people and to comply with any current legislation with regard to disabled persons.

AUDITORS

In accordance with Section 14 of the Companies Act 1976, a resolution proposing the reappointment of Deloitte Haskins & Sells as auditors to the company will be put to the annual general meeting.

BY ORDER OF THE BOARD

V. A. SCHWARTZ
Secretary

BARRATT SOUTH WEST LIMITED

AUDITORS' REPORT

We have audited the financial statements on pages 5 to 13 in accordance with approved Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th June 1984 and of its loss and source and application of funds for the period then ended, and comply with the Companies Acts 1948 to 1981.

DeLoitte Haskins & Sells.

DELOITTE HASKINS & SELLS
Chartered Accountants

Bristol

5th October 1984.

BARRATT SOUTH WEST LIMITED

ACCOUNTING POLICIES

(a) BASIS OF ACCOUNTING

The company prepares its annual financial statements on the historical cost basis of accounting.

(b) TURNOVER

Turnover represents legal completions of new houses.

(c) BASIS OF TAKING PROFIT

Profit is taken on the legal completion of new house sales.

(d) STOCKS

Stocks are valued at the lower of cost and net realisable value.

(e) FIXED ASSETS

Tangible assets are valued at cost less accumulated depreciation.

Plant is depreciated on a straight line basis over its expected useful life which ranges from one to ten years.

Leasehold property is written off over the length of the lease which is nine years.

(f) DEFERRED TAXATION

Provision is made for deferred taxation for all liabilities that may arise in the foreseeable future.

BARRATT SOUTH WEST LIMITED

PROFIT AND LOSS ACCOUNT FOR
THE PERIOD ENDED 30th JUNE 1984

	Notes	1984 £'000
TURNOVER		1,014
		=====
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	1	(232)
TAX ON LOSS ON ORDINARY ACTIVITIES	3	111

LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(121)
EXTRAORDINARY ITEM	4	(31)

DEFICIT CARRIED FORWARD FOR THE FINANCIAL PERIOD		(152)
		=====

BARRATT SOUTH WEST LIMITED

BALANCE SHEET AT 30th JUNE 1984

	Notes	1984 £'000
FIXED ASSETS		
Tangible assets	6	-
CURRENT ASSETS		
Debtors	7	137
CURRENT LIABILITIES - Creditors due within one year		-
NET CURRENT ASSETS		137
TOTAL ASSETS LESS CURRENT LIABILITIES		137
CREDITORS DUE AFTER MORE THAN ONE PERIOD	8	(280)
PROVISIONS FOR LIABILITIES AND CHARGES	9	(8)
		(151)
CAPITAL AND RESERVES		
Called-up share capital	11	1
Profit and loss account	12	(152)
		(151)

)
) Directors

The financial statements were approved by the board of directors
on

2nd October 1984

BARRATT SOUTH WEST LIMITED

SOURCE AND APPLICATION OF FUNDS
PERIOD ENDED 30th JUNE 1984

	1984 £'000
SOURCE OF FUNDS	
Loss before taxation	(232)
Extraordinary items before taxation	(49)
Adjustments for items not involving the movement of funds:	
Depreciation	7
	(274)
Funds from other sources	
Proceeds of share issue	1
Proceeds from sale of fixed assets	24
Inter group loans received	280
	31
APPLICATION OF FUNDS	
Purchase of fixed assets	31

BARRATT SOUTH WEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30th JUNE 1984

1. LOSS ON ORDINARY ACTIVITIES
BEFORE TAXATION

	1984 £'000
Turnover	1,014
Cost of sales	<u>948</u>
Gross profit	66
Administrative expenses	260
Interest payable (note 2)	<u>38</u>
	(232)
	<u><u> </u></u>

LOSS ON ORDINARY ACTIVITIES
BEFORE TAXATION IS STATED

After charging:

Directors' management remuneration	64
Depreciation	7
Plant hire	26
Auditors' remuneration	<u>1</u>
	<u><u> </u></u>

2. INTEREST PAYABLE

	1984 £'000
External	
Repayable within 5 years not by instalments	35
Group interest payable	<u>3</u>
	38
	<u><u> </u></u>

3. TAX ON LOSS ON ORDINARY ACTIVITIES

	1984 £'000
United Kingdom tax at 48.75%	
Corporation tax	(119)
Deferred tax	<u>8</u>
	(111)
	<u><u> </u></u>

BARRATT SOUTH WEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30th JUNE 1984 (CONTINUED)

4. EXTRAORDINARY ITEM

	1984 £'000
Reorganisation costs	49
<u>Less Attributable tax credit</u>	<u>(18)</u>
	31
	==

5. DIRECTORS AND EMPLOYEES

	1984 £'000
Employee costs:	
Wages and salaries	233
Social security costs	15
Pension costs	<u>9</u>
	257
	==

The average number of persons employed by
the company was:

	<u>Number</u>
Building and development	26
	==

Directors' remuneration excluding
pension contributions:

Chairmen

£'000

-

Highest paid director

30

Remuneration of other directors:

	<u>Number</u>
£ 0 - £ 5,000	2
£10,001 - £15,000	1
£15,001 - £20,000	1
	==

BARRATT SOUTH WEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30th JUNE 1984 (CONTINUED)

6. TANGIBLE ASSETS

	Short leasehold £000	Plant £000	Total £000
Cost			
Additions	9	19	28
Inter Group transfers in	-	18	18
Inter Group transfers out	(9)	(37)	(46)
At 30th June 1984	-	-	-
Depreciation			
Inter Group transfers in	-	15	15
Charge for year	1	6	7
Inter Group transfers out	(1)	(21)	(22)
At 30th June 1984	-	-	-
Net book value			
At 30th June 1984	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

7. DEBTORS

1984
£'000

Due within one year :
Amounts owed by group companies

137

8. CREDITORS

1984
£'000

Due after more than one year:
Amounts owed to group companies

280

9. PROVISIONS FOR LIABILITIES AND CHARGES

1984
£'000

Deferred taxation (Note 12)

At 1st July 1983
Transfer from profit and loss account

8

At 30th June 1984

8

BARRATT SOUTH WEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30th JUNE 1984 (CONTINUED)

10. DEFERRED TAXATION

Deferred taxation provided in the financial statements and the total potential liability, including the amounts for which provision has been made, are as follows:

	<u>Amount provided</u>	<u>Total</u>
	<u>1984</u>	<u>potential liability</u>
	<u>£'000</u>	<u>1984</u>
		<u>£'000</u>
Tax effect of timing differences due to:		
Excess of tax allowances over depreciation	<u>8</u>	<u>8</u>
	<u>8</u>	<u>8</u>
	<u>=</u>	<u>=</u>

11. SHARE CAPITAL

Authorised:

1,000 ordinary shares of £1 each

Allotted, called up and fully paid:

1,000 ordinary shares of £1 each

1984
£'000

1

=

1

=

12. RESERVES

Profit and loss
account
£'000

Retained loss for the period

(152)

=

13. CONTINGENT LIABILITIES

Guarantees have been given by the company to secure the overdraft facilities of certain fellow subsidiary companies.

BARRATT SOUTH WEST LIMITED

NOTES TO THE FINANCIAL STATEMENTS
PERIOD ENDED 30th JUNE 1984 (CONTINUED)

14. PENSION OBLIGATIONS

The pension scheme operated by Barratt Developments PLC, the ultimate holding company, covers the company's obligations to provide pensions to those eligible employees both retired and current.

Based on the latest actuarial valuation it is considered that the present funding arrangements are satisfactory and adequate to meet the future liabilities of the fund.

15. ULTIMATE HOLDING COMPANY

The ultimate holding company is Barratt Developments PLC which is incorporated in Great Britain and registered in England.