

IMPERIAL HOMES LIMITED

Directors' Report

The directors present their report and accounts for the year ended 31 March 2001.

Principal activities and review of the business

The company received income in respect of its property stock in the year, but did not trade as a house builder.

Results and dividends

The profit for the year, after taxation, amounted to £2,983. The directors recommend that no dividend be paid

Directors

The directors who served during the year and their interests in the share capital of the company were as follows:

		£1 Ordinary shares	
		2001	2000
K P Hoare	(Resigned 30.10.01)	-	-
M W Harding	(Appointed 30.10.01)	-	-

The directors shareholding in the ultimate holding company is shown in the notes to the accounts

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining 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 accounts 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.

Auditors

A resolution to reappoint D J Bryant as auditor will be put to the member at the Annual General Meeting.

This report was approved by the board on 7 December 2001.

R.M. Ralf

R M Ralf
Secretary

Registered in England and Wales, number 2138321



IMPERIAL HOMES LIMITED
Auditors' Report

**Report of the auditors
to the shareholder of IMPERIAL HOMES LIMITED**

We have audited the accounts on pages 3 to 7 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described on page 1, the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

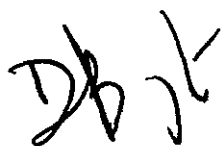
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 March 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



D J Bryant
Chartered Accountant and Registered Auditor

in association with HAZELL MINSHALL & Co
Clarendon Court
Over Wallop
Stockbridge
Hants

7 December 2001

IMPERIAL HOMES LIMITED
Profit and Loss Account
for the year ended 31 March 2001

	Notes	2001 £	2000 £
Administrative expenses		(5,079)	(4,214)
Other operating income		8,062	9,372
Operating profit	3	<u>2,983</u>	<u>5,158</u>
Exceptional items:			
loss on write off of irrecoverable group balances	4	-	(19,344)
		<u>2,983</u>	<u>(14,186)</u>
Profit/(loss) on ordinary activities before taxation		<u>2,983</u>	<u>(14,186)</u>
Tax on profit/(loss) on ordinary activities		-	-
Profit/(loss) for the financial year		<u>2,983</u>	<u>(14,186)</u>
Retained profit/(loss) for the financial year	10	<u>2,983</u>	<u>(14,186)</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit/(loss) for the above two financial years.

IMPERIAL HOMES LIMITED
Balance Sheet
as at 31 March 2001

	Notes	2001 £	2000 £
Current assets			
Stocks	5	110,000	110,000
Debtors	6	100	655
		<u>110,100</u>	<u>110,655</u>
Creditors: amounts falling due within one year	7	(95,543)	(5,331)
Net current assets		<u>14,557</u>	<u>105,324</u>
Total assets less current liabilities		<u>14,557</u>	<u>105,324</u>
Creditors: amounts falling due after more than one year	8	-	(93,750)
		<u>14,557</u>	<u>11,574</u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account	10	14,457	11,474
Shareholder's funds:			
Equity		<u>14,557</u>	<u>11,574</u>
	11	<u>14,557</u>	<u>11,574</u>



M W Harding
 Director

Approved by the board on 7 December 2001

IMPERIAL HOMES LIMITED
Notes to the Accounts
for the year ended 31 March 2001

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Stocks

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

2 Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

3 Operating profit

2001	2000
£	£

This is stated after charging:

Auditors' remuneration	<u>1,200</u>	<u>1,200</u>
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4 Exceptional items

2001	2000
£	£

Loss on write off of irrecoverable group balances	<u>-</u>	<u>(19,344)</u>
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5 Stocks

2001	2000
£	£

Work in progress	<u>110,000</u>	<u>110,000</u>
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The difference between purchase price or production cost of stocks and their replacement cost is not material.

IMPERIAL HOMES LIMITED
Notes to the Accounts
for the year ended 31 March 2001

6 Debtors			2001	2000
			£	£
Other debtors			<u>100</u>	<u>655</u>
7 Creditors: amounts falling due within one year			2001	2000
			£	£
Amounts owed to group undertakings and undertakings in which the company has a participating interest			88,285	733
Corporation tax			1,834	1,834
Accruals and deferred income			<u>5,424</u>	<u>2,764</u>
			<u>95,543</u>	<u>5,331</u>
8 Creditors: amounts falling due after one year			2001	2000
			£	£
Other loan			<u>-</u>	<u>93,750</u>
9 Share capital			2001	2000
			£	£
Authorised:				
Ordinary shares of £1 each			<u>1,000</u>	<u>1,000</u>
	2001	2000	2001	2000
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	100	100	<u>100</u>	<u>100</u>
10 Profit and loss account			2001	2000
			£	£
At 1 April			11,474	25,660
Retained profit/(loss)			2,983	(14,186)
At 31 March			<u>14,457</u>	<u>11,474</u>

IMPERIAL HOMES LIMITED
Notes to the Accounts
for the year ended 31 March 2001

11 Reconciliation of movement in shareholder's funds	2001	2000
	£	£
At 1 April	11,574	25,760
Profit/(loss) for the financial year	2,983	(14,186)
At 31 March	<u>14,557</u>	<u>11,574</u>

12 Ultimate holding company

The company is Hoare Construction Group Limited a company registered in Great Britain.

The directors interests in the company were:

K P Hoare 100%

K P Hoare disposed of his interests in the company on the 7 August 2001