REGISTERED NUMBER: 2291321 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2002

FOR

WILLIAMS BUILDERS LIMITED



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WILLIAMS BUILDERS LIMITED

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WILLIAMS BUILDERS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2002

DIRECTORS:	Mr P Williams Mrs SM Williams Mr SP Williams Mrs AM Anderson
SECRETARY:	Mrs SM Williams
REGISTERED OFFICE:	33 Leicester Road Anstey Leicester LE7 7AT
REGISTERED NUMBER:	2291321 (England and Wales)
AUDITORS:	Mark J Rees Chartered Accountants and Registered Auditors Granville Hall Granville Road Leicester LE1 7RU
BANKERS:	HSBC Bank plc 31 Granby Street Leicester Leicestershire LE1 6EP

WILLIAMS BUILDERS LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2002

The directors present their report with the financial statements of the company for the year ended 31 October 2002.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of land and property developers.

REVIEW OF BUSINESS
The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS
No interim dividend was paid during the year. The directors recommend a final dividend of £77,000 per share.

The total distribution of dividends for the year ended 31 October 2002 will be £154,000.

DIRECTORS
The directors during the year under review were:

Mr P Williams
Mrs SM Williams
Mr SP Williams
Mrs AM Anderson

The beneficial interests of the directors holding office on 31 October 2002 in the issued share capital of the company were as follows:

	31.10.02	1.11.01
Ordinary £1 shares		
Mr P Williams	1	1
Mrs SM Williams	1	1
Mr SP Williams	-	-
Mrs AM Anderson	-	-

TAX STATUS
The company is a close company as defined by section 414 of the Income and Corporation Taxes Act 1988.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
Company law requires the directors to prepare financial statements 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 of the company for that period. In preparing those 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.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2002

AUDITORS

The auditors, Mark J Rees Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:

S M Williams

Mrs SM Williams - SECRETARY

Dated: 25.05.03

REPORT OF THE INDEPENDENT AUDITORS TO WILLIAMS BUILDERS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages five to seventeen, together with the full financial statements of the company for the year ended 31 October 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors
The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion
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 financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion
In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to seventeen are properly prepared in accordance with that provision.

Mark J Rees

Mark J Rees Chartered Accountants
and Registered Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

Dated: 11 June 2003

WILLIAMS BUILDERS LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2002

	Notes	2002 £	2001 £
GROSS PROFIT		**799,171**	660,175
Administrative expenses		**339,078**	249,518
OPERATING PROFIT	3	**460,093**	410,657
Interest receivable and similar income		**244**	-
		460,337	410,657
Interest payable and similar charges	4	**60,832**	112,621
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		**399,505**	298,036
Tax on profit on ordinary activities	5	**94,663**	59,472
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		**304,842**	238,564
Dividends	6	**154,000**	32,000
RETAINED PROFIT FOR THE YEAR		**£150,842**	£206,564

CONTINUING OPERATIONS
None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES
The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

WILLIAMS BUILDERS LIMITED

ABBREVIATED BALANCE SHEET
31 OCTOBER 2002

	Notes	2002 £	2002 £	2001 £	2001 £
FIXED ASSETS					
Tangible assets	7		**104,261**		45,233
CURRENT ASSETS					
Stocks	8	**2,397,320**		1,670,565	
Debtors	9	**115,973**		60,123	
Cash at bank and in hand		**5,569**		271	
		2,518,862		1,730,959	
CREDITORS					
Amounts falling due within one year	10	**2,097,038**		1,415,360	
NET CURRENT ASSETS			**421,824**		315,599
TOTAL ASSETS LESS CURRENT LIABILITIES			**526,085**		360,832
CREDITORS					
Amounts falling due after more than one year	11		**(12,633)**		(4,500)
PROVISIONS FOR LIABILITIES AND CHARGES	15		**(6,278)**		-
			£507,174		£356,332
CAPITAL AND RESERVES					
Called up share capital	16		**2**		2
Profit and loss account	17		**507,172**		356,330
SHAREHOLDERS' FUNDS	23		**£507,174**		£356,332

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

ON BEHALF OF THE BOARD:

Mr P Williams - DIRECTOR

Approved by the Board on 28.5.05

The notes form part of these financial statements

WILLIAMS BUILDERS LIMITED

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2002

	Notes	2002 £	2002 £	2001 £	2001 £
Net cash (outflow)/inflow from operating activities	1		**(249,472)**		555,081
Returns on investments and servicing of finance	2		**(60,588)**		(112,621)
Taxation			**(59,789)**		(15,162)
Capital expenditure	2		**(58,253)**		3,664
			(428,102)		430,962
Financing	2		**480,455**		(519,065)
Increase/(Decrease) in cash in the period			**£52,353**		£(88,103)
Reconciliation of net cash flow to movement in net debt	3				
Increase/(Decrease) in cash in the period		**52,353**		(88,103)	
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		**(661,512)**		399,377	
Change in net debt resulting from cash flows			**(609,159)**		311,274
New finance leases			**(34,250)**		(28,551)
Movement in net debt in the period			**(643,409)**		282,723
Net debt at 1 November			**(972,386)**		(1,255,109)
Net debt at 31 October			**£(1,615,795)**		£(972,386)

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2002

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2002 £	2001 £
Operating profit	**460,093**	410,657
Depreciation charges	**33,430**	14,780
Loss on disposal of fixed assets	**45**	2,912
Increase/(Decrease) in stocks	**(726,755)**	53,921
Increase in debtors	**(48,515)**	(9,216)
Increase in creditors	**32,230**	82,027
Net cash (outflow)/inflow from operating activities	**(249,472)**	555,081

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

	2002 £	2001 £
Returns on investments and servicing of finance		
Interest received	**244**	-
Interest paid	**(60,130)**	(111,958)
Interest element of hire purchase payments	**(702)**	(663)
Net cash outflow for returns on investments and servicing of finance	**(60,588)**	(112,621)
Capital expenditure		
Purchase of tangible fixed assets	**(60,103)**	(2,636)
Sale of tangible fixed assets	**1,850**	6,300
Net cash (outflow)/inflow for capital expenditure	**(58,253)**	3,664
Financing		
New loans in year	**2,384,563**	2,458,773
Loan repayments in year	**(1,766,802)**	(2,871,568)
Capital repayments in year	**(15,848)**	(23,080)
Amount introduced by directors	**38,324**	40,108
Amount withdrawn by directors	**(159,782)**	(123,298)
Net cash inflow/(outflow) from financing	**480,455**	(519,065)

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2002

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.11.01 £	Cash flow £	Other non-cash changes £	At 31.10.02 £
Net cash:				
Cash at bank and in hand	271	5,298		5,569
Bank overdraft	(189,023)	47,055		(141,968)
	(188,752)	52,353		(136,399)
Debt:				
Hire purchase	(12,431)	15,848	(34,250)	(30,833)
Debts falling due within one year	(771,203)	(677,360)	-	(1,448,563)
	(783,634)	(661,512)	(34,250)	(1,479,396)
Total	(972,386)	(609,159)	(34,250)	(1,615,795)

The notes form part of these financial statements

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2002

1. ACCOUNTING POLICIES

Accounting convention
The financial statements have been prepared under the historical cost convention.

Turnover
Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks
Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

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

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Pensions
The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

2. STAFF COSTS

	2002	2001
	£	£
Wages and salaries	**437,892**	380,799
Social security costs	**12,632**	9,588
Other pension costs	**43,000**	35,600
	493,524	425,987

2. **STAFF COSTS - continued**

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

	2002	2001
Administration	**3**	3
Production	**11**	8
	14	11

3. **OPERATING PROFIT**

The operating profit is stated after charging:

	2002	2001
	£	£
Hire of plant and machinery	**46,471**	32,041
Depreciation - owned assets	**21,489**	7,642
Depreciation - assets on hire purchase contracts	**11,941**	7,138
Loss on disposal of fixed assets	**45**	2,912
Auditors remuneration	**6,000**	6,000
Directors' emoluments	**125,129**	97,873
Directors' pension contributions to money purchase schemes	**43,000**	35,600

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

Money purchase schemes	**4**	4

4. **INTEREST PAYABLE AND SIMILAR CHARGES**

	2002	2001
	£	£
Bank interest	**60,130**	111,958
Hire purchase	**702**	663
	60,832	112,621

5. TAXATION

Analysis of the tax charge

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

	2002 £	2001 £
Current tax:		
UK corporation tax	**88,068**	59,472
Prior year		
UK corporation tax	**317**	-
Total current tax	**88,385**	59,472
Deferred tax:		
Deferred taxation	**6,278**	-
Tax on profit on ordinary activities	**94,663**	59,472

UK corporation tax has been charged at 20% (2001 - 20%).

6. DIVIDENDS

	2002 £	2001 £
Equity shares:		
Final	**154,000**	32,000

7. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST:				
At 1 November 2001	**69,292**	**7,385**	**28,551**	**105,228**
Additions	**68,654**	**6,102**	**19,597**	**94,353**
Disposals	**(1,895)**	-	-	**(1,895)**
At 31 October 2002	**136,051**	**13,487**	**48,148**	**197,686**
DEPRECIATION:				
At 1 November 2001	**47,376**	**5,481**	**7,138**	**59,995**
Charge for year	**21,977**	**1,200**	**10,253**	**33,430**
At 31 October 2002	**69,353**	**6,681**	**17,391**	**93,425**
NET BOOK VALUE:				
At 31 October 2002	**66,698**	**6,806**	**30,757**	**104,261**
At 31 October 2001	21,916	1,904	21,413	45,233

7. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery	Motor vehicles	Totals
	£	£	£
COST:			
At 1 November 2001	-	28,551	28,551
Additions	34,250	-	34,250
Transfer to ownership	-	(10,551)	(10,551)
At 31 October 2002	34,250	18,000	52,250
DEPRECIATION:			
At 1 November 2001	-	7,138	7,138
Charge for year	8,566	3,375	11,941
Transfer to ownership	-	(2,638)	(2,638)
At 31 October 2002	8,566	7,875	16,441
NET BOOK VALUE:			
At 31 October 2002	25,684	10,125	35,809
At 31 October 2001	-	21,413	21,413

8. **STOCKS**

	2002	2001
	£	£
Raw materials	1,000	5,000
Work-in-progress	2,426,231	1,665,565
Payments on account	(29,911)	-
	2,397,320	1,670,565

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Trade debtors	83,911	27,205
Vat repayable	14,829	19,139
Directors' current accounts	7,335	-
Prepayments	9,898	13,779
	115,973	60,123

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2002	2001
	£	£
Bank loans and overdrafts (see note 12)	**1,590,531**	960,226
Hire purchase contracts (see note 13)	**18,200**	7,931
Trade creditors	**133,774**	176,153
Taxation	**88,068**	59,472
Paye/Ni payable	**10,018**	7,552
Proposed dividends	**126,000**	-
Directors' current accounts	**-**	145,722
Accruals and deferred income	**130,447**	58,304
	2,097,038	1,415,360

11. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2002	2001
	£	£
Hire purchase contracts (see note 13)	**12,633**	4,500

12. **LOANS**

An analysis of the maturity of loans is given below:

	2002	2001
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	**141,968**	189,023
Bank loans - less than 1 yr	**1,448,563**	771,203
	1,590,531	960,226

13. **OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS**

	2002	2001
	£	£
Net obligations repayable:		
Within one year	**18,200**	7,931
Between one and five years	**12,633**	4,500
	30,833	12,431

14. SECURED DEBTS

The following secured debts are included within creditors:

	2002	2001
	£	£
Bank overdraft	**141,968**	189,023
Bank loans	**1,448,563**	771,203
Hire purchase contracts	**30,833**	12,431
	1,621,364	972,657

The bank loans and overdrafts are secured by a fixed and floating charge over all of the company's assets.

Obligations under hire purchase and finance leases are secured on the assets concerned.

15. PROVISION FOR LIABILITIES AND CHARGES

	2002	2001
	£	£
Deferred tax	**6,278**	-

	Deferred tax
	£
Accelerated capital allowances	**6,278**
Balance at 31 October 2002	**6,278**

Deferred tax provision

	2002	2001
	£	£
Deferred taxation	**6,278**	-
	6,278	-

16. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	2002 £	2001 £
1,000	Ordinary	£1	**1,000**	1,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2002 £	2001 £
2	Ordinary	£1	**2**	2

17. **RESERVES**

	Profit and loss account £
At 1 November 2001	**356,330**
Retained profit for the year	**150,842**
At 31 October 2002	**507,172**

18. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme for the benefit of the directors. The assets of the scheme are administered by trustees in a fund independent from those of the company.

The total contributions paid in the year amounted to £43,000 (2001 - £35,600).

19. **CONTINGENT LIABILITIES**

The company's bankers have given Guarantees in favour of Hinckley & Bosworth Borough Council for £41,000 (2001 - £41,000) and Severn Trent Water Authority for £2,000 (2001 - £4,000).

20. **CAPITAL COMMITMENTS**

	2002 £	2001 £
Contracted but not provided for in the financial statements	**1,063,199**	-

The above capital commitment relates to the purchase of a plot of land. A deposit was £113,000 was paid on 14 June 2002. The capital commitment was paid on 28 February 2003.

21. **TRANSACTIONS WITH DIRECTORS**

The following loan to a director subsisted during the year ended 31 October 2002:

	£
Mr P Williams	
Balance outstanding at start of year	-
Balance outstanding at end of year	**7,334**
Maximum balance outstanding during year	**7,334**

During the year the company rented premises from Mr P Williams and Mrs SM Williams at a cost of £8,108 (2001 - £8,108).

During the year the company sold a partially constructed dwelling to Mr SP Williams, for £212,063. This transaction was under normal terms.

During the year the company carried out building work to the private residence of Mrs A Anderson for £25,532. This transaction was under normal terms.

22. RELATED PARTY DISCLOSURES

During the year the company sold goods and services to Williams Contractors Limited, a company which has the same directors as Williams Builders Limited, amounting to £117,129. The amount outstanding at the year end is £60,198.

23. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002	2001
	£	£
Profit for the financial year	**304,842**	238,564
Dividends	**(154,000)**	(32,000)
Net addition to shareholders' funds	**150,842**	206,564
Opening shareholders' funds	**356,332**	149,768
Closing shareholders' funds	**507,174**	356,332
Equity interests	**507,174**	356,332

24. CONTROLLING PARTY

The ultimate controlling parties are Mr P Williams and Mrs SM Williams by virtue of their 100% shareholding and directorships.