

REGISTERED NUMBER: 02582221 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011
FOR
NEWLAND HOMES LIMITED**

WEDNESDAY



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NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

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FOR THE YEAR ENDED 31 DECEMBER 2011**

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NEWLAND HOMES LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2011

DIRECTORS:

Mr D Foreman
Mr J N McCreadie
Mr J D Drew

SECRETARY:

Mr D Foreman

REGISTERED OFFICE:

8 Lansdown Place
CHELTENHAM
Gloucestershire
GL50 2HU

REGISTERED NUMBER:

02582221 (England and Wales)

AUDITORS:

Morris Owen
Statutory Auditors
43-45 Devizes Road
SWINDON
Wiltshire
SN1 4BG

BANKERS:

National Westminster Bank Plc
84 Commercial Road
SWINDON
Wiltshire
SN1 5NW

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011**

The directors present their report with the financial statements of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property developers

REVIEW OF BUSINESS

A comparison of the year ending 31 December 2011 with 2010 shows a 20% increase in turnover, an improvement in Gross Profit to £1,525,419 from £484,808, and a profit before tax of £502,026 compared with a loss of £364,452 in 2010

These results in themselves are encouraging, but they could have been significantly better if the housing market in 2011 had not continued to suffer from a lack of confidence, combined with a shortage of mortgage finance

Throughout 2011 our overheads and development costs have been well controlled, and we have been steadily working our way out of older sites adversely affected by the housing crash of 2008, and into our new sites that are showing significantly better margins

Despite the slow market in 2011 on most of our sites we took the decision to cautiously press on with development in order to complete the construction at minimum cost, while allowing us to offer completed or near completed houses to relatively scarce proceedable purchasers. As a consequence of this we have increased our work in progress levels but are now well positioned to react quickly to the requirements of purchasers and to any improvement in the market

For 2012 we are forecasting a significant increase in turnover and margin levels, and our increased levels of sales from December 2011 to March 2012 have been encouraging in this respect

During 2011 we negotiated a £5 million Revolving Credit Facility (RCF) with our bankers RBS and in January 2012 this was increased to £7.5 million, providing us with the ability to fund our development plans and to purchase good sites at acceptable margins when they become available

As we know, particularly from recent experience, all our forecasts are dependant on market forces, and need to be kept under constant scrutiny, but we are confident however that our strong balance sheet, secured funding, and good margins on our stock and developments under construction and in the planning pipeline, place us in a strong position going forward

DIVIDENDS

Interim dividends totalling £500 per share were paid during the year. The directors recommend that no final dividend be paid

The total distribution of dividends for the year ended 31 December 2011 will be £500,000

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2009 to the date of this report

Mr D Foreman
Mr J N McCreadie (Non-Executive Director)
Mr J D Drew

EUROPEAN MONETARY UNION

The directors have monitored the impact of the Euro and will continue to do so. The directors believe that the impact upon the company is not significant

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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 418 of the Companies Act 2006) 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, Morris Owen, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mr D Foreman - Secretary

20 April 2012

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NEWLAND HOMES LIMITED

We have audited the financial statements of Newland Homes Limited for the year ended 31 December 2011 on pages five to seventeen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Mr Ian Sumbler (Senior Statutory Auditor)
for and on behalf of Morris Owen
Statutory Auditors
43-45 Devizes Road
SWINDON
Wiltshire
SN1 4BG

Date

23 05 2012

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
TURNOVER		11,577,676	9,652,426
Cost of sales		10,051,257	9,167,618
GROSS PROFIT		1,526,419	484,808
Administrative expenses		1,140,002	935,088
		386,417	(450,280)
Other operating income	2	193,304	88,373
OPERATING PROFIT/(LOSS)	4	579,721	(361,907)
Interest receivable and similar income		2,642	15,774
		582,363	(346,133)
Interest payable and similar charges	5	77,337	18,319
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		505,026	(364,452)
Tax on profit/(loss) on ordinary activities	6	153,328	(85,969)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		351,698	(278,483)

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 profit for the current year and the loss for the previous year

The notes form part of these financial statements

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**BALANCE SHEET
31 DECEMBER 2011**

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	8	385,778	489,338
CURRENT ASSETS			
Stocks	9	23,478,547	18,834,618
Debtors	10	394,374	950,027
Cash at bank		270,008	1,719,598
		<u>24,142,929</u>	<u>21,504,243</u>
CREDITORS			
Amounts falling due within one year	11	<u>3,354,690</u>	<u>3,681,732</u>
NET CURRENT ASSETS		<u>20,788,239</u>	<u>17,822,511</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>21,174,017</u>	<u>18,311,849</u>
CREDITORS			
Amounts falling due after more than one year	12	(3,525,276)	(537,491)
PROVISIONS FOR LIABILITIES	16	<u>(28,061)</u>	<u>(5,376)</u>
NET ASSETS		<u><u>17,620,680</u></u>	<u><u>17,768,982</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	1,000	1,000
Profit and loss account	18	<u>17,619,680</u>	<u>17,767,982</u>
SHAREHOLDERS' FUNDS	22	<u><u>17,620,680</u></u>	<u><u>17,768,982</u></u>

The financial statements were approved by the Board of Directors on 20 April 2012 and were signed on its behalf by

Mr D Foreman - Director

Mr J D Drew - Director



The notes form part of these financial statements

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
Net cash outflow from operating activities	1	(3,979,989)	(2,792,065)
Returns on investments and servicing of finance	2	(74,695)	(2,545)
Taxation		104,655	406,445
Capital expenditure	2	73,449	427,013
Equity dividends paid		(500,000)	(333,320)
		<u>(4,376,580)</u>	<u>(2,294,472)</u>
Financing	2	2,926,990	(698,059)
Decrease in cash in the period		<u>(1,449,590)</u>	<u>(2,992,531)</u>
Reconciliation of net cash flow to movement in net funds	3		
Decrease in cash in the period		(1,449,590)	(2,992,531)
Cash (inflow)/outflow from (increase)/decrease in debt and lease financing		<u>(2,926,861)</u>	<u>698,059</u>
Change in net funds resulting from cash flows		(4,376,451)	(2,294,472)
New finance leases		(86,148)	-
Movement in net funds in the period		<u>(4,462,599)</u>	<u>(2,294,472)</u>
Net funds at 1 January		<u>1,154,832</u>	<u>3,449,304</u>
Net (debt)/funds at 31 December		<u>(3,307,767)</u>	<u>1,154,832</u>

The notes form part of these financial statements

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

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

	2011 £	2010 £
Operating profit/(loss)	579,721	(361,907)
Depreciation charges	105,460	111,926
Loss/(Profit) on disposal of fixed assets	10,799	(30,200)
Increase in stocks	(4,643,929)	(2,636,623)
Decrease in debtors	455,735	587,440
Decrease in creditors	(487,775)	(462,701)
Net cash outflow from operating activities	<u>(3,979,989)</u>	<u>(2,792,065)</u>

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

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	2,642	15,774
Interest paid	(72,704)	(13,197)
Interest element of hire purchase payments	(4,633)	(5,122)
Net cash outflow for returns on investments and servicing of finance	<u>(74,695)</u>	<u>(2,545)</u>
Capital expenditure		
Purchase of tangible fixed assets	(7,839)	(87,891)
Sale of tangible fixed assets	81,288	514,904
Net cash inflow for capital expenditure	<u>73,449</u>	<u>427,013</u>
Financing		
New loans in year	3,000,000	-
Loan repayments in year	-	(490,163)
Capital repayments in year	(50,604)	(40,061)
Amount introduced by directors	129	-
Net flow from long-term trade creditor	(22,535)	(167,835)
Net cash inflow/(outflow) from financing	<u>2,926,990</u>	<u>(698,059)</u>

The notes form part of these financial statements

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 1 11 £	Cash flow £	Other non-cash changes £	At 31 12 11 £
Net cash				
Cash at bank	1,719,598	(1,449,590)		270,008
	<u>1,719,598</u>	<u>(1,449,590)</u>		<u>270,008</u>
Debt				
Hire purchase	(57,216)	50,604	(86,148)	(92,760)
Debts falling due after one year	(507,550)	(2,977,465)	-	(3,485,015)
	<u>(564,766)</u>	<u>(2,926,861)</u>	<u>(86,148)</u>	<u>(3,577,775)</u>
Total	<u>1,154,832</u>	<u>(4,376,451)</u>	<u>(86,148)</u>	<u>(3,307,767)</u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

The directors have assessed the forthcoming period in terms of profitability and cashflows and feel that the going concern principle remains appropriate

Turnover

Turnover represents completed property sales net of 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

Freehold and freehold property improvements	- 2% on cost
Plant and machinery	- 25% on reducing balance
Furniture and equipment	- 15% on reducing balance
Motor vehicles	- 33% on reducing balance

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. In accordance with Statement of Standard Accounting Practice number 9, the interest charges on financing development projects is not included into the calculation of the work in progress balance. Provision is made for any foreseeable losses where appropriate

Deferred tax

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

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted 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.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

2 OTHER OPERATING INCOME

	2011 £	2010 £
Rents received	190,304	88,373
Sundry receipts	3,000	-
	<u>193,304</u>	<u>88,373</u>

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

3 STAFF COSTS

	2011 £	2010 £
Wages and salaries	1,732,876	1,687,736
Social security costs	208,019	193,528
Redundancy costs	-	1,924
	<u>1,940,895</u>	<u>1,883,188</u>

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

	2011	2010
Admin staff	8	8
Direct staff	<u>33</u>	<u>32</u>
	41	40

4 OPERATING PROFIT/(LOSS)

The operating profit (2010 - operating loss) is stated after charging/(crediting)

	2011 £	2010 £
Hire of plant and machinery	2,117	8,475
Depreciation - owned assets	67,600	58,519
Depreciation - assets on hire purchase contracts	37,860	53,407
Loss/(Profit) on disposal of fixed assets	10,799	(30,200)
Auditors' remuneration	17,606	14,195
Non audit services - taxation	715	1,245
Non audit services - other	<u>15,148</u>	<u>28,068</u>
Directors' remuneration	<u>259,733</u>	<u>258,828</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

	2011 £	2010 £
Emoluments etc	<u>149,733</u>	<u>133,435</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2011 £	2010 £
Bank interest	68,735	13,136
Other similar charges payable	3,969	61
Hire purchase	<u>4,633</u>	<u>5,122</u>
	<u>77,337</u>	<u>18,319</u>

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

6 TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year was as follows

	2011 £	2010 £
Current tax		
UK corporation tax	135,380	(99,918)
Over/under provision in prior year	(4,737)	(2,053)
Total current tax	<u>130,643</u>	<u>(101,971)</u>
Deferred tax	22,685	16,002
Tax on profit/(loss) on ordinary activities	<u><u>153,328</u></u>	<u><u>(85,969)</u></u>

Factors affecting the tax charge/(credit)

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2011 £	2010 £
Profit/(loss) on ordinary activities before tax	<u>505,026</u>	<u>(364,452)</u>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24% (2010 - 28%)	121,206	(102,047)
Effects of		
Expenses not deductible for tax	25,545	36,840
Capital allowances	(13,963)	(26,255)
(Profit)/Loss on disposal of fixed assets	2,592	(8,456)
Over provision	(4,737)	(2,053)
Current tax charge/(credit)	<u><u>130,643</u></u>	<u><u>(101,971)</u></u>

7 DIVIDENDS

	2011 £	2010 £
Interim	<u><u>500,000</u></u>	<u><u>333,320</u></u>

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

8 TANGIBLE FIXED ASSETS

	Freehold and freehold property improvements £	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Totals £
COST					
At 1 January 2011	163,944	450,937	271,468	343,053	1,229,402
Additions	-	1,500	11,782	80,705	93,987
Disposals	(75,000)	(1,500)	(34,171)	(20,420)	(131,091)
At 31 December 2011	88,944	450,937	249,079	403,338	1,192,298
DEPRECIATION					
At 1 January 2011	23,698	357,342	150,703	208,321	740,064
Charge for year	2,429	23,405	18,619	61,007	105,460
Eliminated on disposal	(930)	(957)	(19,766)	(17,351)	(39,004)
At 31 December 2011	25,197	379,790	149,556	251,977	806,520
NET BOOK VALUE					
At 31 December 2011	63,747	71,147	99,523	151,361	385,778
At 31 December 2010	140,246	93,595	120,765	134,732	489,338

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

	Plant and machinery £	Furniture and equipment £	Motor vehicles £	Totals £
COST				
At 1 January 2011	105,678	5,158	195,195	306,031
Additions	-	-	80,705	80,705
Disposals	-	-	(20,420)	(20,420)
At 31 December 2011	105,678	5,158	255,480	366,316
DEPRECIATION				
At 1 January 2011	73,904	2,388	140,668	216,960
Charge for year	-	-	37,860	37,860
Eliminated on disposal	-	-	(17,351)	(17,351)
At 31 December 2011	73,904	2,388	161,177	237,469
NET BOOK VALUE				
At 31 December 2011	31,774	2,770	94,303	128,847
At 31 December 2010	31,774	2,770	54,527	89,071

9 STOCKS

	2011 £	2010 £
Work-in-progress	23,478,547	18,834,618

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

10 DEBTORS

	2011 £	2010 £
Amounts falling due within one year		
Trade debtors	29,220	466,661
Amounts recoverable on contract	-	4,500
Other debtors	3,000	-
Corporation tax recoverable	-	99,918
VAT	39,963	63,699
Prepayments and accrued income	18,373	11,431
	<u>90,556</u>	<u>646,209</u>
 Amounts falling due after more than one year		
Amounts recoverable on contract	<u>303,818</u>	<u>303,818</u>
 Aggregate amounts	<u>394,374</u>	<u>950,027</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Hire purchase contracts (see note 14)	52,499	27,275
Payments on account	-	333,575
Trade creditors	1,291,577	1,001,533
Corporation tax	135,380	-
Social security and other taxes	76,959	74,092
Other creditors	562,000	599,893
Directors' current accounts	129	-
Accruals and deferred income	1,236,146	1,645,364
	<u>3,354,690</u>	<u>3,681,732</u>

12 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Bank loans (see note 13)	3,000,000	-
Hire purchase contracts (see note 14)	40,261	29,941
Trade creditors	485,015	507,550
	<u>3,525,276</u>	<u>537,491</u>

13 LOANS

An analysis of the maturity of loans is given below

	2011 £	2010 £
Amounts falling due between one and two years		
Bank loans - 1-2 years	<u>3,000,000</u>	<u>-</u>

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

14 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

	Hire purchase contracts	
	2011 £	2010 £
Net obligations repayable		
Within one year	52,499	27,275
Between one and five years	40,261	29,941
	<u>92,760</u>	<u>57,216</u>

At the balance sheet date the company had annual commitments under non-cancellable operating leases as set out below

	Other operating leases	
	2011 £	2010 £
Expiring		
Within one year	<u>-</u>	<u>69</u>

15 SECURED DEBTS

The following secured debts are included within creditors

	2011 £	2010 £
Bank loans	3,000,000	-
Hire purchase contracts	92,760	57,216
	<u>3,092,760</u>	<u>57,216</u>

The bank holds the following assets as security

Unscheduled mortgage debenture incorporating a fixed and floating charge over all the assets of the company

Legal Mortgage over freehold property known as 8 Lansdown Place, Cheltenham
 Legal Mortgage over land known South Side of Highbury Street, Coleford
 Legal Mortgage over land known as Bowbridge Wharf, Stroud
 Legal Mortgage over building licence at Old Gloucester Road, Cheltenham
 Legal Mortgage over land known as Lockshill, Frome
 Legal Mortgage over land known as Ushers Brewery, Trowbridge
 Legal Mortgage over land known as Kingswood, Bristol
 Legal Mortgage over properties at Swansea Villa, Gloucester
 Legal Mortgage over Ebley Saw Mills, Ebley, Stroud
 Legal Mortgage over land known as Catshole Lane, Bideford
 Legal Mortgage over land at Alverdiscott Road, Bideford
 Legal Mortgage over land at Nortgate Street, Gloucester
 Legal Mortgage over land at Kingswood Police Station, Bristol
 Legal Mortgage over land at Morley Road, Bristol
 Legal mortgage charge over land at Station Rd, Andoversford
 Legal mortgage charge over land at South Side of Saw Mills End
 Legal mortgage charge over land at North Side of Stratford Road

Hire purchase agreements are secured on the assets concerned

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

16 PROVISIONS FOR LIABILITIES

	2011 £	2010 £
Deferred tax		
Accelerated capital allowances	<u>28,061</u>	<u>5,376</u>
		Deferred tax £
Balance at 1 January 2011		5,376
Accelerated capital allowances		<u>22,685</u>
Balance at 31 December 2011		<u>28,061</u>

17 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number Class	Nominal value	2011 £	2010 £
1,000 Ordinary	£1	<u>1,000</u>	<u>1,000</u>

18 RESERVES

	Profit and loss account £
At 1 January 2011	17,767,982
Profit for the year	351,698
Dividends	<u>(500,000)</u>
At 31 December 2011	<u>17,619,680</u>

19 PENSION COMMITMENTS

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

NEWLAND HOMES LIMITED (REGISTERED NUMBER: 02582221)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2011**

20 RELATED PARTY DISCLOSURES

The following transactions occurred during the year with Newland Homes Executive Pension Trust, the beneficiaries of which are the directors and shareholders of Newland Homes Limited

	2011	2010
	£	£
Loan interest	-	57
Rent	34,650	38,250

At the year end the following balances existed

Pension trust expenses accrual	-	2,450
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During the year the following dividends were paid to directors with interests in shares in the company

	2011	2010
	£	£
Mr D Foreman	245,000	102,072
Mr J M McCreadie (Non-Executive Director)	152,500	63,535
	<u>397,500</u>	<u>165,607</u>

21 ULTIMATE CONTROLLING PARTY

The ultimate controlling party of Newland Homes Limited is considered to be Mr D Foreman, a director and shareholder in the company

22 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011	2010
	£	£
Profit/(Loss) for the financial year	351,698	(278,483)
Dividends	(500,000)	(333,320)
Net reduction of shareholders' funds	<u>(148,302)</u>	<u>(611,803)</u>
Opening shareholders' funds	17,768,982	18,380,785
Closing shareholders' funds	<u>17,620,680</u>	<u>17,768,982</u>