

REGISTERED NUMBER: 04190847 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2011
FOR
P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED**

THURSDAY



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**P. J LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

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FOR THE YEAR ENDED 30TH JUNE 2011**

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**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED**

**COMPANY INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2011**

DIRECTORS:

Mr P J Livesey
Mrs D A Livesey
Mr R Brocklehurst
Mr J W Allcock
Mr P Richardson

SECRETARY:

Mrs D A Livesey

REGISTERED OFFICE:

Ashburton Park
Ashburton Road West
Trafford Park
Manchester
M17 1AF

REGISTERED NUMBER:

04190847 (England and Wales)

AUDITORS:

Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

BANKERS:

National Westminster Bank Plc
Spinningfield Square Branch
182 Deansgate
Manchester
Greater Manchester
M3 3LY

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2011**

The directors present their report with the financial statements of the company for the year ended 30th June 2011

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the construction and development of residential property

REVIEW OF BUSINESS

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

DIVIDENDS

No dividends will be distributed for the year ended 30th June 2011

FUTURE DEVELOPMENTS

No significant changes to the company's business are anticipated

DIRECTORS

The directors shown below have held office during the whole of the period from 1st July 2010 to the date of this report

Mr P J Livesey
Mrs D A Livesey
Mr R Brocklehurst
Mr J W Allcock
Mr P Richardson

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER 04190847)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH JUNE 2011**

AUDITORS

The auditors, Ainsworths Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD



Mrs D A Livesey - Secretary

21st March 2012

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED**

We have audited the financial statements of P J Livesey Country Homes (Southern) Limited for the year ended 30th June 2011 on pages six to thirteen. 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 two, 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 30th June 2011 and of its loss 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

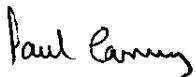
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED**

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



Paul Carney (Senior Statutory Auditor)
for and on behalf of Ainsworths Limited
Chartered Accountants
and Statutory Auditors
Charter House
Stansfield Street
Nelson
Lancashire
BB9 9XY

21st March 2012

**P. J LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2011**

	Notes	30 6 11 £	30 6 10 £
TURNOVER		6,796,850	6,580,032
Cost of sales		7,113,589	8,149,510
GROSS LOSS		(316,739)	(1,569,478)
Administrative expenses		732	614
OPERATING LOSS	3	(317,471)	(1,570,092)
Profit/loss on sale of tangible fixed assets		2,617	-
		(314,854)	(1,570,092)
Interest receivable and similar income		37	739
		(314,817)	(1,569,353)
Interest payable and similar charges	4	-	60
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(314,817)	(1,569,413)
Tax on loss on ordinary activities	5	(14,769)	(1,650)
LOSS FOR THE FINANCIAL YEAR		<u>(300,048)</u>	<u>(1,567,763)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 30TH JUNE 2011**

	30 6 11 £	30 6 10 £
LOSS FOR THE FINANCIAL YEAR	(300,048)	(1,567,763)
Revaluation	(40,582)	-
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(340,630)</u>	<u>(1,567,763)</u>

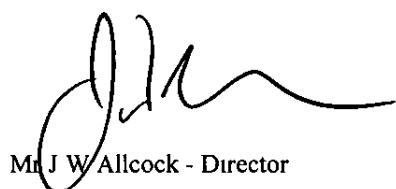
The notes form part of these financial statements

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**BALANCE SHEET
30TH JUNE 2011**

	Notes	30 6 11 £	£	30 6 10 £	£
FIXED ASSETS					
Tangible assets	6		1,184,018		645,400
CURRENT ASSETS					
Stocks	7	478,071		7,300,309	
Debtors	8	490,499		1,376,703	
Cash at bank		5,962		-	
		974,532		8,677,012	
CREDITORS					
Amounts falling due within one year	9	3,098,515		9,921,747	
NET CURRENT LIABILITIES			(2,123,983)		(1,244,735)
TOTAL ASSETS LESS CURRENT LIABILITIES			(939,965)		(599,335)
CAPITAL AND RESERVES					
Called up share capital	11		1		1
Revaluation reserve	12		129,468		181,050
Profit and loss account	12		(1,069,434)		(780,386)
SHAREHOLDERS' FUNDS	15		(939,965)		(599,335)

The financial statements were approved by the Board of Directors on 21st March 2012 and were signed on its behalf by



Mr J W Allcock - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2011**

1 ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with applicable accounting standards

The financial statements have been prepared on a going concern basis which assumes that the company will be able to meet its liabilities as they fall due. The parent company, P J Livesey Holdings Limited, has confirmed that it will provide support for at least 12 months following the approval of these financial statements. If the company were unable to continue to trade, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for any further liabilities that may arise, and to reclassify fixed assets and any long term liabilities as current assets and liabilities respectively.

Accounting convention

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover relates to ordinary activities and represents the contract sale price of properties and land exchanged, sale of goods and services to third parties and excludes value added tax.

Stocks

Stock and work-in-progress are valued at the lower of cost and net realisable value. Cost includes all direct expenditure and an appropriate proportion of overheads.

Net realisable value is based on estimated selling price less all further costs to completion and disposal.

Cash flow statement

The company is exempt from the requirement to produce a cash flow statement as it is a wholly owned subsidiary.

Investment Properties

The cost of freehold ground rents and similar licences is included in the accounts as investment properties at the point at which it can be accurately ascertained. Until then the cost of ground rents acquired is retained in stocks.

In accordance with the Statements of Standard Accounting Practice 19, certain of the company's freehold ground rents are held for long-term investment and are included in the Balance Sheet at their open market values. Depreciation is not provided in respect of freehold ground rents.

This policy represents a departure from statutory accounting principles, which require depreciation to be provided on all fixed assets. The directors consider that this policy is necessary in order that the accounts may give a true and fair view because current values and changes in current values are of prime importance rather than the calculation of systematic annual depreciation. Depreciation is only one of many factors reflected in the valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

2 STAFF COSTS

There were no staff costs for the year ended 30th June 2011 or for the period ended 30th June 2010.

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2011**

3 OPERATING LOSS

The operating loss is stated after charging

	30 6 11	30 6 10
	£	£
Auditors' remuneration	<u>2,000</u>	<u>2,000</u>
Directors' remuneration	<u>-</u>	<u>-</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	30 6 11	30 6 10
	£	£
Other interest payable	<u>-</u>	<u>60</u>

5 TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows

	30 6 11	30 6 10
	£	£
Current tax		
Over provision in previous year	<u>(14,769)</u>	<u>(1,650)</u>
Tax on loss on ordinary activities	<u>(14,769)</u>	<u>(1,650)</u>

Factors affecting the tax credit

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

	30 6 11	30 6 10
	£	£
Loss on ordinary activities before tax	<u>(314,817)</u>	<u>(1,569,413)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26% (2010 - 28%)	(81,852)	(439,436)
Effects of		
Group relief	86,575	439,436
Over provision in previous year	(14,769)	(1,650)
Effect of change in tax rate	<u>(4,723)</u>	<u>-</u>
Current tax credit	<u>(14,769)</u>	<u>(1,650)</u>

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2011**

6 TANGIBLE FIXED ASSETS

	Investment Property £
COST OR VALUATION	
At 1st July 2010	645,400
Additions	610,000
Disposals	(30,800)
Revaluations	(40,582)
At 30th June 2011	<u>1,184,018</u>
NET BOOK VALUE	
At 30th June 2011	<u>1,184,018</u>
At 30th June 2010	<u>645,400</u>

The freehold ground rents were valued by the directors on 30th June 2011 on the basis of open market value

Cost or valuation at 30th June 2011 is represented by

	Investment Property £
Valuation in 2011	<u>1,184,018</u>

7 STOCKS

	30 6 11 £	30 6 10 £
Work-in-progress	<u>478,071</u>	<u>7,300,309</u>

Stocks include interest capitalised on borrowings related to the properties concerned

8 DEBTORS

	30 6 11 £	30 6 10 £
Amounts falling due within one year		
Trade debtors	-	901,402
Other debtors	15,144	-
Prepayments	325	271
	<u>15,469</u>	<u>901,673</u>

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2011**

8 DEBTORS - continued

	30 6 11 £	30 6 10 £
Amounts falling due after more than one year		
Trade debtors	<u>475,030</u>	<u>475,030</u>
Aggregate amounts	<u>490,499</u>	<u>1,376,703</u>

9 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 11 £	30 6 10 £
Bank loans and overdrafts (see note 10)	-	11,944
Trade creditors	-	9,000
Amounts owed to group undertakings	<u>3,098,515</u>	<u>9,900,803</u>
	<u>3,098,515</u>	<u>9,921,747</u>

10 LOANS

An analysis of the maturity of loans is given below

	30 6 11 £	30 6 10 £
Amounts falling due within one year or on demand		
Bank overdrafts	<u>-</u>	<u>11,944</u>

11 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			30 6 11	30 6 10
Number	Class	Nominal value	£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

**P. J. LIVESEY COUNTRY HOMES (SOUTHERN)
LIMITED (REGISTERED NUMBER: 04190847)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH JUNE 2011**

12 RESERVES

	Profit and loss account £	Revaluation reserve £	Totals £
At 1st July 2010	(780,386)	181,050	(599,336)
Deficit for the year	(300,048)		(300,048)
Revaluation	-	(40,582)	(40,582)
Transfer on realisation	11,000	(11,000)	-
At 30th June 2011	<u>(1,069,434)</u>	<u>129,468</u>	<u>(939,966)</u>

13 ULTIMATE PARENT COMPANY

The ultimate holding company is P J Livesey Holdings Limited, a company which is incorporated in England. Copies of the financial statements are available from Companies House.

14 CONTINGENT LIABILITIES

The company has guaranteed the bank borrowings of the parent undertaking and fellow subsidiaries. At 30th June 2010 the bank borrowings were £21,869,586 (2010 £45,402,498).

If the investment property included in the financial statements were to be realised at the revalued amount a capital gains tax liability of approximately £50,000 (2010 £50,000) would arise.

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 6 11 £	30 6 10 £
Loss for the financial year	(300,048)	(1,567,763)
Other recognised gains and losses relating to the year (net)	<u>(40,582)</u>	<u>-</u>
Net reduction of shareholders' funds	(340,630)	(1,567,763)
Opening shareholders' funds	<u>(599,335)</u>	<u>968,428</u>
Closing shareholders' funds	<u><u>(939,965)</u></u>	<u><u>(599,335)</u></u>