

Redrow Homes (Scotland 1995) Limited
Annual report
for the year ended 30 June 2003

Registered Number 155021



Redrow Homes (Scotland 1995) Limited

Annual report

for the year ended 30 June 2003

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Redrow Homes (Scotland 1995) Limited

Directors and Advisors for the year ended 30 June 2003

Directors

G Millar
M R Powell
B K Harvey
Redrow Homes Limited

Secretary

G A Cope

Auditors

PricewaterhouseCoopers LLP
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Bankers

Barclays Bank PLC
Corporate Banking Centre
PO Box 1015
3rd Floor
3 Windsor Place
Cardiff CF10 3ZL

Registered Office

Redrow House
3 Central Park Avenue
Larbert
Falkirk
FK5 4RX

Registered Number

155021

Redrow Homes (Scotland 1995) Limited

Directors' report for the year ended 30 June 2003

The directors present their report and the audited financial statements of the company for the year ended 30 June 2003.

Principal activities and business review

The principal activity of the company is residential development.

Its activities were substantially ended on 28 February 2002 when Redrow plc decided to continue its Scottish business within Redrow Homes (Scotland) Limited (formerly Tay Homes (Scotland) Limited), a fellow subsidiary of Redrow Homes (Scotland 1995) Limited. The net assets of Redrow Homes (Scotland 1995) Limited were transferred to Redrow Homes (Scotland) Limited as at 28 February 2002 at net book value.

Results and dividends

The directors have not declared a dividend in respect of the year ended 30 June 2003 (2002£1,600,000).

Directors and their interests

The directors of the company who held office during the year are given below:

A W Lewis – resigned 18 November 2002

M R Powell

G Millar

B K Harvey

Redrow Homes Limited

Redrow Homes Limited is the immediate parent company of the majority of the Redrow Homes trading subsidiaries

The interests of M R Powell in the share capital of Redrow plc are disclosed in the financial statements of Redrow Homes Limited.

The interests of B K Harvey in the share capital of Redrow plc are disclosed in the financial statements of that company.

The interests of G Millar in the share capital of Redrow plc are disclosed in the financial statements of Redrow Homes (Scotland) Limited.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 30 June 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 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.

Redrow Homes (Scotland 1995) Limited

EMU

The company's approach to this issue is being co-ordinated by its ultimate parent company, Redrow plc, and full details are disclosed in the financial statements of that company.

Taxation status

As far as the directors are aware, the company is not a close company as defined by Section 414 of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

Auditors

Following the conversion of our auditors PricewaterhouseCoopers to Limited Liability Partnership (LLP) from 1 January 2003, PricewaterhouseCoopers resigned on 25 February 2003 and the directors appointed its successor, PricewaterhouseCoopers LLP, as auditors. A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the Company will be proposed at the annual general meeting.

By order of the board



G A Cope
Company Secretary
14 November 2003

Redrow Homes (Scotland 1995) Limited

Independent auditors' report to the members of Redrow Homes (Scotland 1995) Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the related notes and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person other than the company to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

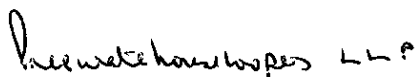
Basis of audit opinion

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30 June 2003 and of its results for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Manchester
14 November 2003

Redrow Homes (Scotland 1995) Limited

Profit and loss account for the year ended 30 June 2003

	Note	2003 £	2002 £
		Discontinued	Discontinued
Turnover	1	-	12,078,738
Operating profit	1	-	954,034
Interest (payable)/receivable		-	(335)
Profit on ordinary activities before taxation	4	-	953,699
Tax on profit on ordinary activities	5	-	(284,973)
Profit on ordinary activities after taxation		-	668,726
Dividends		-	(1,600,000)
Retained (deficit) for the financial year	10	-	(931,274)

The company has no recognised gains and losses other than those included in the profit above, and therefore no separate statement of total recognised gains and losses has been presented.

Redrow Homes (Scotland 1995) Limited

Balance sheet as at 30 June 2003

	Note	2003 £	2002 £
Current assets			
Debtors	6	2,363,427	2,363,427
		2,363,427	2,363,427
Creditors: amounts falling due within one year	7	(1,759,639)	(1,759,639)
Net current assets		603,788	603,788
Total assets less current liabilities		603,788	603,788
Net assets		603,788	603,788
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	603,688	603,688
Equity shareholders' funds	10	603,788	603,788

The financial statements on pages 5 to 11 were approved by the board of directors on 14 November 2003 and were signed on its behalf by:

M. Powell

M R Powell
Director

Redrow Homes (Scotland 1995) Limited

Accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

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

Cash flows

The company is a wholly owned subsidiary of Redrow plc, and its cash flows are included in the consolidated cash flow statement of Redrow plc. Consequently, the company is exempt from the requirement of Financial Reporting Standard 1 to prepare a cash flow statement.

Redrow Homes (Scotland 1995) Limited

Notes to the financial statements for the year ended 30 June 2003

1 Operating profit

	2003 £	2002 £
Turnover	-	12,078,738
Cost of sales	-	(10,159,943)
Gross profit	-	1,918,795
Administrative expenses	-	(964,761)
Operating profit	-	954,034

Auditors remuneration is borne by the company's ultimate parent undertaking, Redrow plc.

2 Directors' emoluments

	2003 £	2002 £
Aggregate emoluments	-	131,064

No (2002: Nil) director exercised share options in the year and No (2002: 1) director became entitled to receive shares under the long-term incentive scheme. Retirement benefits are accruing to No (2002: 1) director under a defined benefit scheme.

3 Employee information

The average monthly number of persons employed by the company during the year was:

	2003 Number	2002 Number
By activity		
Directors and administrative staff	-	19
Site personnel	-	34
	-	53
		£
Wages and salaries	-	997,530
Social security costs	-	87,350
Other pensions costs	-	67,737
Staff costs	-	1,152,617

Redrow Homes (Scotland 1995) Limited

4 Profit on ordinary activities before taxation

	2003 £	2002 £
Profit on ordinary activities before taxation is stated after charging:		
Depreciation for the year	-	5,773
Operating lease charges	-	10,500
Hire of plant and machinery	-	237,271

5 Tax on profit on ordinary activities

	2003 £	2002 £
Current year		
United Kingdom corporation tax at 30% (2002: 30%)	-	284,973
Under provision in respect of prior period	-	-
	-	284,973
Deferred taxation		
Deferred taxation (see Note 11)	-	-
	-	284,973
Reconciliation of current taxation charge		
Tax on total profits at 30% (2002:30%)	-	286,110
Timing differences	-	(1,137)
	-	284,973

It is expected that the effective rate will approximate to a standard corporation tax rate in the new financial year.

6 Debtors

	2003 £	2002 £
Amounts falling due within one year		
Amounts owed by group undertakings	2,363,427	2,363,427
	2,363,427	2,363,427

Redrow Homes (Scotland 1995) Limited

7 Creditors: amounts falling due within one year

	2003 £	2002 £
Amounts owed to group undertakings	1,600,000	1,600,000
Corporation tax payable	159,639	159,639
	1,759,639	1,759,639

Amounts owed to the company's ultimate holding company, Redrow plc, are secured by a floating charge over the company's present and future undertakings and assets. This charge does not take priority over any charge issued in favour of any other party.

8 Called up share capital

	2003 £	2002 £
Authorised		
100 ordinary shares of £1 each	100	100
Allotted, called up and fully paid		
100 ordinary shares of £1 each	100	100

9 Reserves

	Profit and loss account £
At 1 July 2002 and 30 June 2003	603,688

10 Reconciliation of movement in equity shareholders' funds

	2003 £	2002 £
Profit for the financial year	-	668,726
Dividends	-	(1,600,000)
Net movement in shareholders' funds	-	(931,274)
Opening shareholders' funds	603,788	1,535,062
Closing shareholders' funds	603,788	603,788

Redrow Homes (Scotland 1995) Limited

11 Pension and similar obligations

The company participates in The Redrow Staff Pension Scheme which is a self-administered, defined benefits scheme, with contributions based on the pension costs of the whole Redrow Group. These were at the rate of 12% of pensionable earnings. Details of the latest actuarial valuation will be found in the financial statements of Redrow plc.

As at 30 June 2003, The Redrow Staff Pension Scheme is in deficit.

12 Contingent liabilities

Performance bonds and other building guarantees have been entered into in the normal course of business. In addition, the company provides cross guarantees in respect of the Redrow plc syndicated loan, details of which are in the Redrow plc Annual Report and Accounts.

13 Related party transactions

As a wholly owned subsidiary, the company has taken advantage of the exception under FRS8 not to disclose intra-group transactions. There have been no other related party transactions.

14 Ultimate holding company and controlling party

The company's ultimate holding company and controlling party is Redrow plc, a company incorporated in Great Britain. The company's immediate parent company is Redrow Homes Limited, a company incorporated in Great Britain. Copies of the Redrow plc financial statements may be obtained from the Company Secretary, Redrow plc, Redrow House, St David's Park, Flintshire, CH5 3RX.