

**REPORT OF THE DIRECTORS AND  
AUDITED FINANCIAL STATEMENTS FOR THE PERIOD 1 DECEMBER 2010 TO 31 MARCH 2012  
FOR  
COMBE BANK HOMES LTD**

**CONTENTS OF THE FINANCIAL STATEMENTS  
for the Period 1 December 2010 to 31 March 2012**

	<b>Page</b>
<b>Company Information</b>	1
<b>Report of the Directors</b>	2
<b>Report of the Independent Auditors</b>	4
<b>Profit and Loss Account</b>	5
<b>Balance Sheet</b>	6
<b>Cash Flow Statement</b>	7
<b>Notes to the Cash Flow Statement</b>	8
<b>Notes to the Financial Statements</b>	10
<b>Trading and Profit and Loss Account</b>	16

**COMBE BANK HOMES LTD**

**COMPANY INFORMATION**  
**for the Period 1 December 2010 to 31 March 2012**

**DIRECTORS:** C Johnson  
A Johnson

**SECRETARY:** A Johnson

**REGISTERED OFFICE:** Chequers Barn  
Bough Beech  
Edenbridge  
Kent  
TN8 7PD

**REGISTERED NUMBER:** 06003791 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:** Roland Malkin

**AUDITORS:** Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

**REPORT OF THE DIRECTORS  
for the Period 1 December 2010 to 31 March 2012**

The directors present their report with the financial statements of the company for the period 1 December 2010 to 31 March 2012.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the period under review was that of Property Developers.

**REVIEW OF BUSINESS**

Following its intention to concentrate on its niche market of developments consisting of 4 - 20 unit schemes, the Company completed four schemes during the year situated in Aylesford, Deal and Tunbridge Wells, Kent and Crowborough, East Sussex. These sites contributed to the turnover and profit for the financial period under review, as reported on in the Accounts.

The type of housing units developed during the year ranged from one bed starter homes to an executive five bed detached house.

During the year construction commenced on our site at Edenbridge, Kent comprising nine two bed apartments, a studio, cottage for refurbishment and shop. The anticipated completion of the building work on this site, which is being undertaken by our preferred contractor on a Fixed Price JCT Contract, is October 2013. Marketing of the completed properties for sale will commence on completion of the works and it is anticipated that all properties will be sold prior to March 2013.

During the year we continued work on our site at Sheerness, Kent by undertaking the demolition of the existing building and construction work on the development of this site of six two bed starter homes will commence during the current year.

We have not yet started work on our three unit site at Chatham, Kent.

During the year we continued to negotiate the purchase of a number of sites, some with planning permission and some without planning consent, where we are confident that we will obtain planning permission which should result in an enhancement of the land value accordingly. We have signed and are entering into Options and Conditional Contracts on land in our chosen area of operation, to ensure continuity of development activity, with a view to generating profit for the year ended March 2013 and onwards.

Our principal area of operations has remained Kent and the southern outer London Boroughs, Surrey and East Sussex. We will continue our successful policy of developing property of high quality in our chosen area, controlling our land acquisition programme to satisfy the likely needs and demands of house buyers, preferring to develop a broad and varied range of residential homes.

**DIVIDENDS**

No dividends will be distributed for the period ended 31 March 2012.

**DIRECTORS**

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

C Johnson  
A Johnson

**REPORT OF THE DIRECTORS  
for the Period 1 December 2010 to 31 March 2012**

**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, Crowe Clark Whitehill LLP, were appointed auditors to the company and in accordance with section 485 of Companies Act 2006, a resolution proposing that they be re-appointed will be put at a general meeting.

**ON BEHALF OF THE BOARD:**

.....  
C Johnson - Director

Date: .....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
COMBE BANK HOMES LTD**

We have audited the financial statements of Combe Bank Homes Ltd for the period ended 31 March 2012 on pages five to fifteen. 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 Report of the Directors 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 March 2012 and of its profit for the period 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.

Roland Malkin (Senior Statutory Auditor)  
for and on behalf of Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

Date: .....

**PROFIT AND LOSS ACCOUNT**  
for the Period 1 December 2010 to 31 March 2012

	Notes	Period 1.12.10 to 31.3.12 £	Year Ended 30.11.10 £
<b>TURNOVER</b>		<b>6,523,785</b>	326,550
Cost of sales		<u>5,878,177</u>	<u>1,104,025</u>
<b>GROSS PROFIT/(LOSS)</b>		<b>645,608</b>	(777,475)
Administrative expenses		<u>243,731</u>	<u>156,751</u>
		<b>401,877</b>	(934,226)
Other operating income		<u>137,638</u>	<u>92,714</u>
<b>OPERATING PROFIT/(LOSS)</b>	3	<b>539,515</b>	(841,512)
Interest receivable and similar income	4	<u>214</u>	<u>227</u>
		<b>539,729</b>	(841,285)
Interest payable and similar charges	5	<u>28,783</u>	<u>61,817</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>510,946</b>	(903,102)
Tax on profit/(loss) on ordinary activities	6	<u>-</u>	<u>-</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL PERIOD</b>		<b><u>510,946</u></b>	<b><u>(903,102)</u></b>

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profit for the current period and the loss for the previous year.

**BALANCE SHEET**  
**31 March 2012**

	Notes	31.3.12 £	£	30.11.10 £	£
<b>FIXED ASSETS</b>					
Tangible assets	7		<b>1,533</b>		530
<b>CURRENT ASSETS</b>					
Stocks	8	<b>2,107,942</b>		6,934,734	
Debtors	9	<b>354,585</b>		54,113	
Cash at bank and in hand		<b>490,796</b>		271,665	
		<b>2,953,323</b>		7,260,512	
<b>CREDITORS</b>					
Amounts falling due within one year	10	<b>126,541</b>		24,093	
<b>NET CURRENT ASSETS</b>			<b>2,826,782</b>		7,236,419
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>2,828,315</b>		7,236,949
<b>CREDITORS</b>					
Amounts falling due after more than one year	11		<b>4,090,797</b>		9,010,377
<b>NET LIABILITIES</b>			<b>(1,262,482)</b>		(1,773,428)
<b>CAPITAL AND RESERVES</b>					
Called up share capital	14		<b>100,000</b>		100,000
Profit and loss account	15		<b>(1,362,482)</b>		(1,873,428)
<b>SHAREHOLDERS' FUNDS</b>	19		<b>(1,262,482)</b>		(1,773,428)

The financial statements were approved by the Board of Directors on ..... and were signed on its behalf by:

.....  
C Johnson - Director

.....  
A Johnson - Director



**CASH FLOW STATEMENT**  
for the Period 1 December 2010 to 31 March 2012

	Notes	Period		Year Ended	
		1.12.10 to 31.3.12		30.11.10	
		£	£	£	£
<b>Net cash inflow/(outflow) from operating activities</b>	1		<b>5,435,888</b>		<b>(1,465,746)</b>
<b>Returns on investments and servicing of finance</b>	2		<b>(28,569)</b>		<b>(61,590)</b>
<b>Capital expenditure</b>	2		<b>(1,770)</b>		<b>-</b>
<b>Acquisitions and disposals</b>	2		<b>(200)</b>		<b>-</b>
			<b>5,405,349</b>		<b>(1,527,336)</b>
<b>Financing</b>	2		<b>(5,186,218)</b>		<b>1,460,977</b>
<b>Increase/(decrease) in cash in the period</b>			<b>219,131</b>		<b>(66,359)</b>
<hr/>					
<b>Reconciliation of net cash flow to movement in net debt</b>	3				
Increase/(decrease) in cash in the period			<b>219,131</b>		<b>(66,359)</b>
Cash outflow/(inflow) from decrease/(increase) in debt			<b>4,919,580</b>		<b>(1,360,979)</b>
Change in net debt resulting from cash flows			<b>5,138,711</b>		<b>(1,427,338)</b>
<b>Movement in net debt in the period</b>			<b>5,138,711</b>		<b>(1,427,338)</b>
<b>Net debt at 1 December</b>			<b>(8,738,712)</b>		<b>(7,311,374)</b>
<b>Net debt at 31 March</b>			<b>(3,600,001)</b>		<b>(8,738,712)</b>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT**  
for the Period 1 December 2010 to 31 March 2012

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

	<b>Period 1.12.10 to 31.3.12 £</b>	<b>Year Ended 30.11.10 £</b>
Operating profit/(loss)	539,515	(841,512)
Depreciation charges	767	177
Decrease/(increase) in stocks	4,826,792	(626,252)
(Increase)/decrease in debtors	(33,634)	6,359
Increase/(decrease) in creditors	102,448	(4,518)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>5,435,888</b>	<b>(1,465,746)</b>

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

	<b>Period 1.12.10 to 31.3.12 £</b>	<b>Year Ended 30.11.10 £</b>
<b>Returns on investments and servicing of finance</b>		
Interest received	214	227
Interest paid	(28,783)	(61,817)
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b>(28,569)</b>	<b>(61,590)</b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(1,770)	-
<b>Net cash outflow for capital expenditure</b>	<b>(1,770)</b>	<b>-</b>
<b>Acquisitions and disposals</b>		
Purchase of shares in group undertakings	(200)	-
<b>Net cash outflow for acquisitions and disposals</b>	<b>(200)</b>	<b>-</b>
<b>Financing</b>		
New loans in year	-	810,034
Loan repayments in year	(2,956,456)	-
Amount introduced by directors	-	550,945
Amount withdrawn by directors	(1,963,124)	-
Share issue	-	99,998
Loans to group undertakings	(266,638)	-
<b>Net cash (outflow)/inflow from financing</b>	<b>(5,186,218)</b>	<b>1,460,977</b>

**NOTES TO THE CASH FLOW STATEMENT**  
for the Period 1 December 2010 to 31 March 2012

## 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.12.10 £	Cash flow £	At 31.3.12 £
Net cash:			
Cash at bank and in hand	271,665	219,131	490,796
	<u>271,665</u>	<u>219,131</u>	<u>490,796</u>
Debt:			
Debts falling due after one year	(9,010,377)	4,919,580	(4,090,797)
	<u>(9,010,377)</u>	<u>4,919,580</u>	<u>(4,090,797)</u>
Total	<u>(8,738,712)</u>	<u>5,138,711</u>	<u>(3,600,001)</u>

NOTES TO THE FINANCIAL STATEMENTS  
for the Period 1 December 2010 to 31 March 2012

1. ACCOUNTING POLICIES

**Accounting convention**

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

**Turnover**

Turnover represents sale of properties which are recognised upon legal completion.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery - 25% on reducing balance

**Stocks**

Work in progress is valued at the lower of cost and net realisable value.

Cost includes material costs, subcontractor labour, and capitalised interest on associated borrowings up until the completion of the properties.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

**Going Concern**

The accounts have been prepared on a Going Concern Basis on the grounds that Mr C Johnson together with the Bank have undertaken to provide the necessary financial support.

**Standard taxation and deferred taxation**

The charge for taxation is based on the profit or loss for the year and takes into account deferred taxation. Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the taxation computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

No provision has been made for deferred tax on the basis of carry forward losses.

2. STAFF COSTS

	<b>Period</b>	
	<b>1.12.10</b>	
	<b>to</b>	Year Ended
	<b>31.3.12</b>	30.11.10
	<b>£</b>	£
Wages and salaries	<b>131,308</b>	99,298
Social security costs	<b>9,626</b>	7,014
	<hr/> <b>140,934</b> <hr/>	<hr/> 106,312 <hr/>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 December 2010 to 31 March 2012**

**2. STAFF COSTS - continued**

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

	<b>Period 1.12.10 to 31.3.12</b>	Year Ended 30.11.10
Management	2	2
Administration	2	2
	<u>4</u>	<u>4</u>

**3. OPERATING PROFIT/(LOSS)**

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

	<b>Period 1.12.10 to 31.3.12</b>	Year Ended 30.11.10
	£	£
Depreciation - owned assets	767	176
Directors' remuneration and other benefits	49,975	31,000
Auditor's remuneration	12,000	2,500
	<u>24,475</u>	<u>13,000</u>

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

Defined benefit schemes	<u>1</u>	<u>1</u>
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**4. INTEREST RECEIVABLE AND SIMILAR INCOME**

	<b>Period 1.12.10 to 31.3.12</b>	Year Ended 30.11.10
	£	£
Deposit account interest	<u>214</u>	<u>227</u>

**5. INTEREST PAYABLE AND SIMILAR CHARGES**

During the period interest paid on borrowings is normally capitalised. However interest on one site has been transferred to profit & loss account as the development has been completed.

**6. TAXATION**

On the basis of these financial statements, no provision has been made for corporation tax.

The company has losses of £ 1,578,933 (2010 £ 1,832,696) available to carry forward against future trading profits.

No deferred tax provision has been made on account of losses to carry forward.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 December 2010 to 31 March 2012**

**7. TANGIBLE FIXED ASSETS**

		<b>Plant and machinery £</b>
<b>COST</b>		
At 1 December 2010		1,165
Additions		1,770
		<u>2,935</u>
At 31 March 2012		<u>2,935</u>
<b>DEPRECIATION</b>		
At 1 December 2010		635
Charge for period		767
		<u>1,402</u>
At 31 March 2012		<u>1,402</u>
<b>NET BOOK VALUE</b>		
At 31 March 2012		<u>1,533</u>
At 30 November 2010		<u>530</u>

**8. STOCKS**

	31.3.12	30.11.10
	£	£
Work-in-progress	<u>2,107,942</u>	<u>6,934,734</u>

**9. DEBTORS**

	31.3.12	30.11.10
	£	£
Amounts falling due within one year:		
Amounts owed by participating interests	200	-
Other debtors	78,638	42,389
Vat debtor	6,812	-
VAT	-	3,849
Prepayments	2,297	7,875
	<u>87,947</u>	<u>54,113</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>266,638</u>	<u>-</u>
Aggregate amounts	<u>354,585</u>	<u>54,113</u>

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

	31.3.12	30.11.10
	£	£
Trade creditors	67,562	10,319
Social security and other taxes	5,312	3,563
Other creditors	855	1,731
Accruals and deferred income	52,812	8,480
	<u>126,541</u>	<u>24,093</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 December 2010 to 31 March 2012**

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

	<b>31.3.12</b>	30.11.10
	£	£
Bank loans (see note 12)	<b>983,156</b>	3,939,612
Other loans (see note 12)	<b>3,107,641</b>	5,070,765
	<u><b>4,090,797</b></u>	<u>9,010,377</u>

Analysis of loan

Total amounts falling due after 5 years and not repayable by instalments

	<u>2,627,641</u>	<u>4,369,820</u>
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**12. LOANS**

An analysis of the maturity of loans is given below:

	<b>31.3.12</b>	30.11.10
	£	£
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<b>983,156</b>	3,939,612
Other loans - 2-5 years	<b>480,000</b>	480,000
Director's loan balance b/fwd	<b>4,590,765</b>	4,039,820
Director's loan drawings	<b>(1,963,124)</b>	550,945
	<u><b>4,090,797</b></u>	<u>9,010,377</u>

**13. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>31.3.12</b>	30.11.10
	£	£
Bank loans	<b>983,156</b>	3,939,612
	<u><b>983,156</b></u>	<u>3,939,612</u>

The bank loans are secured by way of a charge over the assets of the company.

**14. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>31.3.12</b>	30.11.10
			£	£
100,000	Ordinary	£1	<b>100,000</b>	100,000
			<u><b>100,000</b></u>	<u>100,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Period 1 December 2010 to 31 March 2012

15. RESERVES

	Profit and loss account £
At 1 December 2010	(1,873,428)
Profit for the period	<u>510,946</u>
At 31 March 2012	<u><u>(1,362,482)</u></u>

16. ULTIMATE PARENT COMPANY

Trafalgar New Homes Plc, a UK registered company, is regarded by the directors as being the company's ultimate parent company.

Copies of the Group financial statements are available on request from the registered office address as indicated on the information page to these accounts.

17. RELATED PARTY DISCLOSURES

Loans from Directors

Transactions in relation to loans with directors during the period are outlined in the table below:-

	% rate	Opening Balance £	Amounts Advanced £	Closing Balance £
Mr C Johnson	100%	4,590,766	-1,963,125	2,627,641

Other debtors includes £ 1,000 (2010: £ 1,000) in respect of service charges owed to the company by Combe Bank Homes Pension Fund. Mr C Johnson and Mr A Johnson are beneficiaries of Combe Bank Homes Pension Fund..

Also, included in the profit and loss account, is rent for the sum of £ 9,542 (2010: £ 7,518) paid to the Combe Bank Homes Pension Fund. Mr C Johnson and Mr A Johnson are beneficiaries of Combe Bank Homes Pension Fund.

During the year sales of property at their market value, were made to related parties as follows:-

Mr C Johnson - £ 555,000  
Combe Bank Homes (Oakhurst) Ltd - £ 3,014,367  
Combe Homes (Investments) Ltd - £ 1,163,914

Both of these companies are wholly owned subsidiaries.

18. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr C Johnson by virtue of his shareholding in Trafalgar New Homes Plc.



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Period 1 December 2010 to 31 March 2012**

19.	<b>RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>	<b>31.3.12</b>	30.11.10
		£	£
	Profit/(loss) for the financial period	<b>510,946</b>	(903,102)
	New share capital subscribed	-	99,998
		<hr/>	<hr/>
	<b>Net addition/(reduction) to shareholders' funds</b>	<b>510,946</b>	(803,104)
	Opening shareholders' funds	<b>(1,773,428)</b>	(970,324)
		<hr/>	<hr/>
	<b>Closing shareholders' funds</b>	<b>(1,262,482)</b>	(1,773,428)
		<hr/> <hr/>	<hr/> <hr/>

**TRADING AND PROFIT AND LOSS ACCOUNT**  
for the Period 1 December 2010 to 31 March 2012

	Period 1.12.10 to 31.3.12		Year Ended 30.11.10	
	£	£	£	£
<b>Sales</b>		<b>6,523,785</b>		326,550
<b>Cost of sales</b>				
Purchases	5,878,177		325,000	
Write down to net realisable value	-		779,025	
	<u>                    </u>	<u>5,878,177</u>	<u>                    </u>	<u>1,104,025</u>
<b>GROSS PROFIT/(LOSS)</b>		<b>645,608</b>		<b>(777,475)</b>
<b>Other income</b>				
Rents received	137,638		92,714	
Deposit account interest	214		227	
	<u>                    </u>	<u>137,852</u>	<u>                    </u>	<u>92,941</u>
		<b>783,460</b>		<b>(684,534)</b>
<b>Expenditure</b>				
Rent	9,542		7,518	
Rates and water	(1,783)		2,567	
Premises Expenses	2,843		2,281	
Insurance	6,691		904	
Directors' salaries	24,475		13,000	
Directors' social security	629		201	
Directors' pension contrib	25,500		18,000	
Wages	81,333		68,298	
Social security	8,997		6,813	
Telephone	3,831		2,337	
Post and stationery	2,056		1,742	
Travelling	614		350	
Motor expenses	10,794		6,204	
Computer consumables	3,343		995	
Website	3,200		2,200	
Sundry expenses	976		(1,166)	
Subscriptions	687		705	
Accountancy	23,331		6,822	
Auditor's remuneration	12,000		3,000	
Professional fees	-		2,000	
Advertising	-		710	
Entertainment	19,559		10,861	
	<u>                    </u>	<u>238,618</u>	<u>                    </u>	<u>156,342</u>
		<b>544,842</b>		<b>(840,876)</b>
<b>Finance costs</b>				
Bank charges	4,346		232	
Bank interest	471		4,817	
Bank loan interest	28,312		-	
Other loan interest	-		57,000	
	<u>                    </u>	<u>33,129</u>	<u>                    </u>	<u>62,049</u>
Carried forward		<b>511,713</b>		<b>(902,925)</b>

This page does not form part of the statutory financial statements

**TRADING AND PROFIT AND LOSS ACCOUNT**  
**for the Period 1 December 2010 to 31 March 2012**

	Period		Year Ended	
	1.12.10 to 31.3.12		30.11.10	
	£	£	£	£
Brought forward		<b>511,713</b>		(902,925)
<b>Depreciation</b>				
Plant and machinery		<b>767</b>		177
<b>NET PROFIT/(LOSS)</b>		<b>510,946</b>		<b>(903,102)</b>

**COMBE BANK HOMES LTD (REGISTERED NUMBER: 06003791)**

**NOTES WHOLLY REPLACED  
AND/OR ACCOUNTING POLICIES TOTALLY IGNORED  
AND/OR ACCOUNTING POLICIES WITH TEXT REPLACED  
BY USER'S CHOICE ON CLIENT SCREEN ENTRIES  
for the Period 1 December 2010 to 31 March 2012**

The following note has been REPLACED completely by user entries.

INTEREST PAYABLE AND SIMILAR CHARGES

None of the standard accounting policies have been ignored.

The following standard accounting policies have been REPLACED completely by user entries.

TURNOVER  
STOCKS

PLEASE CHECK THAT THESE CHOICES ARE CORRECT - all changes that would automatically be made to notes generated by IRIS as a result of posting amendments etc WILL NOT BE AMENDED where REPLACEMENT notes have been selected.

**COMBE BANK HOMES LTD (REGISTERED NUMBER: 06003791)**

**POSSIBLE QUALIFICATIONS OR REFERENCES  
REQUIRED ON AUDITORS' REPORT  
for the Period 1 December 2010 to 31 March 2012**

\*\* BALANCE SHEET SHOWS NEGATIVE OVERALL TOTALS

\*\* Audit report may need to be amended - please refer to client screens