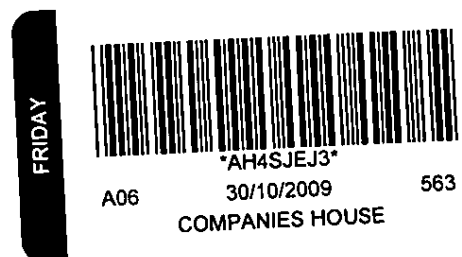


**Company Registration No. 4409874**

**North Central Management Limited**

**Report and Financial Statements**

**For the Year ended 31 December 2008**



# **North Central Management Limited**

## **Report and financial statements 2008**

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# **North Central Management Limited**

## **Legal and professional advisers**

### **Directors of the company**

The following held office as directors during the year under review and to date except as noted:

K F Adamson (Appointed 19.03.09)

B P Brady (Resigned 20.06.2008)

C Carney (Appointed 02.05.2008) (Resigned 19.03.2009)

G J Dodds (Resigned 30.05.2008)

J C Murrin (Resigned 02.05.2008)

R A Peacock (Resigned 19.03.2009)

S J Wardle (Resigned 29.08.2008)

R J Woolsey (Appointed 19.03.09)

### **Bankers**

National Westminster Bank

41 The Drapery

Northampton

NN1 2EY

### **Auditors**

Deloitte LLP,

Birmingham, United Kingdom.

# **North Central Management Limited**

## **Directors Report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2008.

### **Business Review and Principal Activity**

The principal activity of the Company during the year was that of property development.

### **Results and Dividends**

During the year under review, the Company generated turnover of £150,000 (2007: £31,848,000). The profit for the financial year was £490,000 (2007: £4,101,000). No dividend was paid in the year (2007 : £14,800,000). All the units on the development have been completed.

### **Environmental and Employee Issues**

No staff are employed by the Company. Staff are provided by other companies within the Taylor Wimpey plc Group as and when required.

### **Principal Risks and Uncertainties**

The company ceased trading on 12 March 2008.

The Board has reviewed in detail the areas of major risk that the Company faces in its business and operations.

The review includes a review of significant environmental, social and governance matters relevant to the business and operations of the Company. The risks are also monitored throughout the year for ongoing relevance by the Board.

Specific key operational risks and the procedures and policies that are in place around them that are reviewed include: health and safety, environmental matters, financial and data control, IT systems, corporate governance, national and local governmental matters and product quality.

The Board, following its review, is satisfied with the process in place for risk identification, evaluation and management. It is satisfied with current control mechanisms and reporting lines that have been in place throughout the year.

### **Going concern – Financial statements prepared on a basis other than that of a going concern**

Following completion of the development the company ceased to trade on 12 March 2008. The financial statements have therefore been prepared on a basis other than going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

### **Financial Risk Management Policies**

The key financial risk management policies adopted by the Company are as follows:

#### ***Liquidity Risk***

The Company is exposed to liquidity risk in respect of the intercompany receivable with the parent company. As detailed above, new banking facilities have been arranged by Taylor Wimpey plc, the ultimate parent.

# North Central Management Limited

## Directors Report

### *Credit Risk*

The main credit risk arises from the uncertainty regarding the recoverability of the balances owing from North Central Management Holding Company Limited as disclosed above. As detailed above, new banking facilities have been arranged by Taylor Wimpey plc, the ultimate parent company.

### **Directors**

The following held office as directors during the year under review and to date except as noted:

K F Adamson (Appointed 19.03.09)

B P Brady (Resigned 20.06.2008)

C Carney (Appointed 02.05.2008) (Resigned 19.03.2009)

G J Dodds (Resigned 30.05.2008)

J C Murrin (Resigned 02.05.2008)

R A Peacock (Resigned 19.03.2009)

S J Wardle (Resigned 29.08.2008)

R J Woolsey (Appointed 19.03.09)

### **Third party indemnity provisions**

During the financial year, third party indemnity provisions were in force for the benefit of all the directors of the Company. Such provisions had been made by the ultimate parent company Taylor Wimpey plc.

### **Auditors**


Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

On 1<sup>st</sup> December, Deloitte & Touche LLP changed its name to Deloitte LLP. Deloitte LLP were appointed as auditors during the year and have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



K Atterbury, Company Secretary  
29<sup>th</sup> October 2009

# **North Central Management Limited**

## **Statement of directors' responsibilities**

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report 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). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

## **Independent auditors' report to the members of North Central Management Limited**

We have audited the financial statements of North Central Management Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 an auditors' report 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 International Standards on Auditing (UK and Ireland).

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, whether in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition, we report to you, in our opinion, 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 other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

## **Independent auditors' report to the members of North Central Management Limited (continued)**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

### **Emphasis of matter - Financial statements prepared on a basis other than that of a going concern**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 of the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

*Deloitte LLP*

**Deloitte LLP**

Chartered Accountants and Registered Auditors  
Birmingham, United Kingdom

*30 October 2009*



## North Central Management Limited

### Profit and loss account Year ended 31 December 2008

	Note	2008 £'000	2007 £'000
Turnover	2	150	31,848
Cost of sales		-	(26,425)
<b>Gross profit</b>		<b>150</b>	<b>5,423</b>
Administrative income/(expenses)		463	365
<b>Operating profit</b>		<b>613</b>	<b>5,788</b>
Interest payable and similar charges	3	-	(58)
Interest receivable and similar income		73	129
<b>Profit on ordinary activities before taxation</b>	4	<b>686</b>	<b>5,859</b>
Taxation	6	(196)	(1,758)
<b>Profit for the financial year</b>	11	<b>490</b>	<b>4,101</b>

All results arise from discontinued operations

# North Central Management Limited

## Balance sheet 31 December 2008

	Note	2008 £'000	2007 £'000
<b>Current assets</b>			
Debtors	7	2,306	4,247
Cash at bank and in hand		1,921	1,972
		<u>4,227</u>	<u>6,219</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(3,195)</u>	<u>(5,224)</u>
<b>Net current assets</b>		1,032	995
<b>Provision for liabilities</b>	9	<u>(308)</u>	<u>(761)</u>
<b>Net assets</b>		<u>724</u>	<u>234</u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account	11	724	234
<b>Total shareholders' funds</b>	11	<u>724</u>	<u>234</u>

These financial statements were approved by the Board of Directors on 29<sup>th</sup> October 2009.

Signed on behalf of the Board of Directors



K Adamson

Director

# **North Central Management Limited**

## **Notes to the financial statements Year ended 31 December 2008**

### **1. Accounting policies**

The following accounting policies have been used consistently unless otherwise stated in dealing with items which are considered material.

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Companies Act 1985 and with applicable United Kingdom accounting standards.

#### **Going concern – Financial statements prepared on a basis other than that of a going concern**

Following completion of the development the company ceased to trade on 12 March 2008. The financial statements have therefore been prepared on a basis other than going concern. No material adjustments arose as a result of ceasing to apply the going concern basis. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such were committed at the balance sheet date.

#### **Cash flow statement**

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that Taylor Wimpey plc, its ultimate parent company, includes the Company in its own published consolidated financial statements.

#### **Turnover**

Turnover generally arises principally from the sale of residential and commercial properties and land, recognised on legal completion. In the current year turnover arose from the sale of some related parking spaces connected to previously sold properties

#### **Profit recognition**

Profit arising from the sale of residential and commercial properties and land is taken on legal completion. Residential development profit is calculated based on total expected revenue less total expected costs.

#### **Stocks**

Stocks are stated at the lower of cost and estimated net realisable value. Cost of stocks comprises land acquisition, construction and other development expenditure.

#### **Current taxation**

The tax currently payable is based on taxable profit for the year. Taxable profit may differ from profit before tax because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### **Deferred taxation**

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

# North Central Management Limited

## Notes to the financial statements Year ended 31 December 2008

### 2. Turnover

All results are attributable to discontinued activities and all trading was in the United Kingdom and are stated net of sales taxes

### 3. Interest payable and other charges

	2008 £'000	2007 £'000
Interest on bank loans and overdrafts	-	(58)

### 4. Profit on ordinary activities before taxation

	2008 £'000	2007 £'000
Profit on ordinary activities before taxation is after charging:		
Auditors' remuneration		
Fees payable to the company's auditors for the audit of the company's annual accounts	6	4
Fees payable to the company's auditors for the other services to the company – tax services	-	2
<b>Total fees paid to the auditor</b>	<b>6</b>	<b>6</b>

The audit fees are borne by another company in the Taylor Wimpey Plc group.

### 5. Staff costs

The Company had no employees other than its directors (2007 : none).

The directors received no remuneration in respect of their services to the Company (2007 : £nil).

# North Central Management Limited

## Notes to the financial statements Year ended 31 December 2008

### 6. Taxation

	2008 £'000	2007 £'000
<b>Current tax</b>		
UK Corporation tax		
Current year	196	1,758

The charge for the year can be reconciled to profit before tax as follows:

	2008 £'000	2007 £'000
Profit before tax	686	5,859
Tax at the UK corporation tax rate of 28.5% (2007 : 30%)	196	1,758
	<u>196</u>	<u>1,758</u>

As a result of the budget announced by the Chancellor of the Exchequer on 21 March 2007 and substantively enacted on 26 June 2007, the rate of corporation tax for large companies in the United Kingdom has reduced from 30% to 28% from 1 April 2008. The rate of 28.5% applied above is therefore a blended rate.

There are no deferred tax amounts reported in the balance sheet (2007: £Nil).

### 7. Debtors

	2008 £'000	2007 £'000
Amounts owed by group undertakings	2,306	2,306
Other debtors	-	1,941
	<u>2,306</u>	<u>4,247</u>

### 8. Creditors: amounts falling due within one year

	2008 £'000	2007 £'000
Trade and other creditors	-	2,937
Amounts owed to parent company	1,235	-
Other creditors – reservation fees and deposits	-	516
Corporation tax	1,954	1,758
Accruals	6	13
	<u>3,195</u>	<u>5,224</u>

# North Central Management Limited

## Notes to the financial statements Year ended 31 December 2008

### 9. Provision for liabilities

	£'000
At 1 January 2008	761
Utilised	(103)
Released to Profit and Loss account	(232)
Reclassified	(118)
At 31 December 2008	<u>308</u>

The provisions held are in respect of housing maintenance and arise principally from warranties and other liabilities on housing sold. Payment of these costs is likely to occur over a period of one to two years.

### 10. Share capital

	2008 £	2007 £
<b>Authorised</b>		
1,000 (2007: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, called up and unpaid</b>		
2 (2007: 2) ordinary shares of £1 each	<u>2</u>	<u>2</u>

### 11. Movements on reserves and shareholders' funds

	Profit and loss account £'000	Share capital £'000	Total £'000
At 1 January 2008	234	-	234
Result for the financial year	<u>490</u>	<u>-</u>	<u>490</u>
At 31 December 2008	<u>724</u>	<u>-</u>	<u>724</u>

### 12. Dividends

No dividends (2007 - £14.8 million) were recognised as distributions to equity holders during the period.

### 13. Related party transaction

As all of the Company's voting rights are controlled within the Group headed by Taylor Wimpey plc, the Company has taken advantage of the exemption contained within Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the Group. The consolidated financial statements of Taylor Wimpey plc, within which this company is included, can be obtained from the address given in note 14.

### 14. Ultimate parent company

The largest and smallest Group in which the results of the company are consolidated is Taylor Wimpey plc, the Company's ultimate parent and controlling party. Taylor Wimpey plc is a company registered in England

## **North Central Management Limited**

### **Notes to the financial statements Year ended 31 December 2008**

and Wales. A copy of the Group financial statements may be obtained from the Group Company Secretary, Taylor Wimpey plc, 80 New Bond Street, London, W1S 1SB.

The Company is a subsidiary of North Central Management Holding Company Limited which is registered in England and Wales.

The Company's registered office is 80 New Bond Street, London, W1S 1SB.