

REGISTERED NUMBER: 05395641 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2010
FOR
G C BILSTON LIMITED**

WEDNESDAY



A4W6APR6

A10

08/12/2010

20

COMPANIES HOUSE

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2010

	Page
Company Information	1
Report of the Directors	2
Independent Auditors' Report	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7

G C BILSTON LIMITED

COMPANY INFORMATION
for the year ended 30 June 2010

DIRECTORS: A C Gallagher
G H Gosling

SECRETARY: S A Burnett

REGISTERED OFFICE: 15 Hockley Court
Stratford Road
Hockley Heath
Solihull
West Midlands
B94 6NW

REGISTERED NUMBER: 05395641 (England and Wales)

**INDEPENDENT
AUDITORS:** Deloitte LLP
Chartered Accountants and Statutory Auditors
Birmingham
United Kingdom

REPORT OF THE DIRECTORS
for the year ended 30 June 2010

The directors present their report with the financial statements of the company for the year ended 30 June 2010. The Directors' report has been prepared in accordance with the special provisions relating to small companies under Section 415A of the Companies Act 2006.

PRINCIPAL ACTIVITY

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

REVIEW OF BUSINESS

Both the result for the year, and the year end financial position were satisfactory. The directors consider future prospects to be satisfactory.

POST BALANCE SHEET EVENT

Subsequent to the year end the company sold the land held in stock for £2.6 million and repaid its bank loan in full.

DIVIDENDS

No dividends were paid in the year ended 30 June 2010 (2009: £nil).

DIRECTORS

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

A C Gallagher
G H Gosling

GOING CONCERN

The financial statements have been prepared on a going concern basis as the directors' intention is to pursue further development opportunities. The company is in a net liabilities position of £1,552,669 at 30 June 2010 and so has obtained confirmation from its shareholders that financial support is available to the company to enable it to meet its obligations as they fall due for a period of not less than 12 months from the date of approval of these financial statements.

DIRECTORS' RESPONSIBILITIES STATEMENT

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.

**REPORT OF THE DIRECTORS (continued)
for the year ended 30 June 2010**

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, Deloitte LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'G. H. Gosling', with a stylized flourish at the end.

G H Gosling – Director

9 November 2010

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G C BILSTON LIMITED

We have audited the financial statements of G C Bilston Limited for the year ended 30 June 2010 which comprise the Profit and Loss Account and Balance Sheet, and the related notes 1 to 16. 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 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

As explained more fully in the Directors' Responsibilities Statement, 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 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 (APB'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.

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 30 June 2010 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.

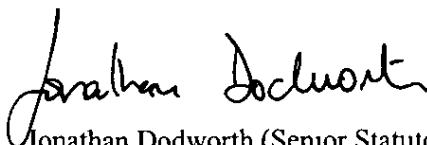
Opinion on other matter prescribed by the Companies Act 2006

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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report; or
- we have not received all the information and explanations we require for our audit.



Jonathan Dodworth (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Birmingham, United Kingdom
9 November 2010

G C BILSTON LIMITED (REGISTERED NUMBER: 05395641)

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2010

	Notes	30 6 10 £	30 6 09 £
TURNOVER		-	-
Cost of sales	7, 15	<u>571,894</u>	<u>(1,047,237)</u>
GROSS PROFIT/(LOSS)		571,894	(1,047,237)
Administrative expenses		<u>(3,236)</u>	<u>(5,115)</u>
OPERATING PROFIT/(LOSS)	3	568,658	(1,052,352)
Interest receivable and similar income	4	901	30,770
Interest payable and similar charges	5	<u>(74,982)</u>	<u>(169,671)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		494,577	(1,191,253)
Tax on profit/(loss) on ordinary activities	6	<u>(189)</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION	11	<u>494,388</u>	<u>(1,191,253)</u>

CONTINUING OPERATIONS

All of the company's activities relate to continuing operations

TOTAL RECOGNISED GAINS AND LOSSES

All recognised gains and losses are included in the profit and loss account, therefore no statement of recognised gains and losses has been prepared

G C BILSTON LIMITED (REGISTERED NUMBER: 05395641)

BALANCE SHEET
30 June 2010

	Notes	30 6 10 £	30 6 09 £
CURRENT ASSETS			
Stocks	7	2,594,371	2,017,831
Debtors	8	4,346	6,708
Cash at bank		<u>163,548</u>	<u>197,327</u>
		2,762,265	2,221,866
CREDITORS			
Amounts falling due within one year	9	<u>(4,314,934)</u>	<u>(4,268,923)</u>
NET CURRENT LIABILITIES		<u>(1,552,669)</u>	<u>(2,047,057)</u>
NET LIABILITIES		<u>(1,552,669)</u>	<u>(2,047,057)</u>
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Profit and loss account	11	<u>(1,552,671)</u>	<u>(2,047,059)</u>
TOTAL SHAREHOLDERS' DEFICIT	13	<u>(1,552,669)</u>	<u>(2,047,057)</u>

The financial statements of G C Bilston Limited, company number 5395641 were approved by the Board of Directors and authorised for issue on 9 November 2010

Signed on behalf of the Board of Directors



G H Gosling - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2010

1 ACCOUNTING POLICIES

Accounting convention

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

Cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Cost of sales

In addition to the costs originally stocked in work in progress attributable to each sales transaction, included within cost of sales are expenses relating to fees expended in promoting developments through the planning system which are written off to the profit and loss account until the viability of such a development is reasonably secure, after which such costs are capitalised in accordance with the stocks accounting policy.

Stocks

Work in progress, which includes land held for development, is valued at the lower of cost and net realisable value. Cost includes the purchase of land and acquisition expenses. Promotional costs associated with developments are expensed until the viability of that development is reasonably secure. Work in progress is reduced to net realisable value where changes in circumstances indicate full recovery is unlikely.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Full provision is made on a non-discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation at the current rate of tax. Deferred tax assets are only recognised when it is considered more likely than not that they will be realised.

Going concern

The financial statements have been prepared on a going concern basis as the directors' intention is to pursue further development opportunities. The company is in a net liabilities position of £1,552,669 at 30 June 2010 and so has obtained confirmation from its shareholders that financial support is available to the company to enable it to meet its obligations as they fall due for a period of not less than 12 months from the date of approval of these financial statements.

2 STAFF COSTS

There are no employees other than the directors in the current or prior year. No remuneration was paid in the current or prior year. The directors received no remuneration for their services to the Company in either year.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 June 2010

3 OPERATING PROFIT/(LOSS)

The operating profit (2009 - operating loss) is stated after charging

	30 6 10	30 6 09
	£	£
Auditors' remuneration – fees payable to the Company's auditors for the audit of the Company's annual accounts	1,000	1,000
Auditors' remuneration for non audit work	<u>-</u>	<u>900</u>

4 INTEREST RECEIVABLE AND SIMILAR INCOME

	30 6 10	30 6 09
	£	£
Deposit account interest	<u>901</u>	<u>30,770</u>

5 INTEREST PAYABLE AND SIMILAR CHARGES

	30 6 10	30 6 09
	£	£
Bank interest	<u>74,982</u>	<u>169,671</u>

6 TAXATION

Analysis of the tax charge

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

	30 6 10	30 6 09
	£	£
Current tax		
UK corporation tax	<u>189</u>	<u>-</u>
Tax on profit/(loss) on ordinary activities	<u>189</u>	<u>-</u>

The current corporation tax charge differs from the standard UK corporation tax rate of 28% applied to the profit/(loss) for the year. The differences are

	30 6 10	30 6 09
	£	£
Profit/(loss) for the year at 28%	138,482	(333,551)
Losses (utilised)/carried forward	(138,229)	333,551
Tax at marginal rates	<u>(64)</u>	<u>-</u>
	<u>189</u>	<u>-</u>

An unprovided deferred tax asset in respect of tax losses of £87,479 at 28% (2009 £225,708) is available to be carried forward. No deferred tax asset has been recognised in respect of these as the directors are, as yet, uncertain of when they will be utilised.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 June 2010

6 TAXATION (continued)

The Emergency Budget 2010 introduced a reduction in the rate of corporation tax from 28% to 27% from 1 April 2011. This legislation was substantively enacted on 21 July 2010 and as such will impact the company's tax charge from 1 April 2011. Deferred tax assets and liabilities are measured at tax rates that are enacted or substantively enacted at the balance sheet date. Accordingly, this reduction has not been taken into account when stating the deferred tax assets and liabilities at 30 June 2010 but will impact the company's deferred tax assets and liabilities in future periods.

7 STOCKS

	30 6 10	30 6 09
	£	£
Work in progress	<u>2,594,371</u>	<u>2,017,831</u>

During the year ended 30 June 2010, there was a reversal of a previous impairment to the carrying value of stock of £576,540 in light of its sale post year end. During the year ended 30 June 2009, there was a reduction in the carrying value of stock of £1,047,237 as a result of impairment due to the prevailing economic conditions.

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 10	30 6 09
	£	£
Other debtors	3,771	-
VAT recoverable	<u>575</u>	<u>6,708</u>
	<u>4,346</u>	<u>6,708</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 10	30 6 09
	£	£
Bank loan	2,624,997	2,625,000
Trade creditors	2,641	-
Amounts owed to related undertakings	1,683,607	1,622,377
Corporation tax	189	-
Accruals and deferred income	<u>3,500</u>	<u>21,546</u>
	<u>4,314,934</u>	<u>4,268,923</u>

At 30 June 2010, £1,072,803 (2009 £1,007,180) was owed to J J Gallagher Limited, a shareholder, £610,804 (2009 £610,804) to Countrywide Homes Limited (in Administration), a former shareholder, £nil (2009 £2,616) to G C Oldbury Limited, a related undertaking and £nil (2009 £1,777) to G C Bradley Limited, a related undertaking.

The bank loan, which is repayable on demand, is on normal commercial terms and is secured by way of a fixed and floating charge over the assets of the company. A bank deposit of £180,875 is held to secure the bank loan. The bank loan was repaid in July 2010 following the sale of the company's stock.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 June 2010

10 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	30 6 10 £ <u>2</u>	30 6 09 £ <u>2</u>
2	Ordinary			

11 RESERVES

	Profit and loss account £
At 1 July 2009	(2,047,059)
Profit for the financial year	<u>494,388</u>
At 30 June 2010	<u>(1,552,671)</u>

12 RELATED PARTY DISCLOSURES

There are no further related party transactions other than those disclosed in the financial statements

13 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' DEFICIT

	30 6 10 £ <u>494,388</u>	30 6 09 £ <u>(1,191,253)</u>
Profit/(loss) for the financial year		
Net reduction/(addition) to shareholders' deficit	494,388	(1,191,253)
Opening shareholders' deficit	<u>(2,047,057)</u>	<u>(855,804)</u>
Closing shareholders' deficit	<u>(1,552,669)</u>	<u>(2,047,057)</u>

14 ULTIMATE CONTROLLING PARTY

The company is jointly controlled by J J Gallagher Limited and Hockley Court Investments Limited
Both of the shareholders are incorporated in England and Wales

15 EXCEPTIONAL ITEMS

During the year ended 30 June 2010, there was a reversal of a previous impairment to the carrying value of stock of £576,540. During the year ended 30 June 2009, there was a reduction in the carrying value of stock of £1,047,237 as a result of impairment due to the prevailing economic conditions.

16 POST BALANCE SHEET EVENT

Subsequent to the year end the company sold land held in stock for £2.6 million and repaid its bank loan in full.