

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007  
FOR  
G C CORBY LIMITED  
5403888**

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**for the year ended 30 June 2007**

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**G C CORBY LIMITED**

**COMPANY INFORMATION**  
**for the year ended 30 June 2007**

**DIRECTORS:** A C Gallagher  
G H Gosling  
J G Downer  
P A King

**SECRETARY:** S A Burnett

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

**REGISTERED NUMBER:** 5403888 (England and Wales)

**AUDITORS:** PricewaterhouseCoopers LLP  
Cornwall Court  
19 Cornwall Street  
Birmingham  
B3 2DT

# **G C CORBY LIMITED**

## **REPORT OF THE DIRECTORS for the year ended 30 June 2007**

The directors present their report with the audited financial statements of the company for the year ended 30 June 2007

### **PRINCIPAL ACTIVITY**

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

### **REVIEW OF BUSINESS**

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

During the year the company sold its land held for development purposes

### **DIVIDENDS**

A dividend of £950,000 has been paid in the year ended 30 June 2007 (period ended 30 June 2006 £nil)

### **DIRECTORS**

The directors during the year under review were

A C Gallagher  
G H Gosling  
J G Downer  
P A King

The directors holding office at 30 June 2007 did not hold any direct beneficial interest in the issued share capital of the company at 1 July 2006 or 30 June 2007

A C Gallagher controls Gallagher UK Limited, whose subsidiary J J Gallagher Limited holds 50% of the shares and J G Downer controls Countrywide Property Holdings PLC, which holds the remaining 50% of the shares

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing 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 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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

**G C CORBY LIMITED**

**REPORT OF THE DIRECTORS – (continued)  
for the year ended 30 June 2007**

**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 234ZA of the Companies Act 1985) 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, PricewaterhouseCoopers LLP, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'G H Gosling', with a long horizontal stroke extending to the right.

G H Gosling - Director

14 March 2008

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G C CORBY LIMITED

We have audited the financial statements of G C Corby Limited for the year ended 30 June 2007 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

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

In addition we report to you if, 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

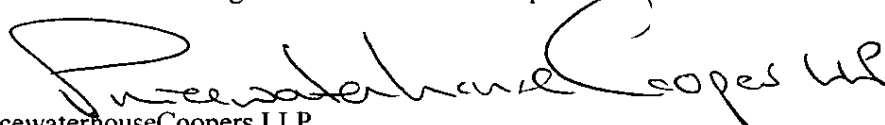
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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.

### 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 30 June 2007 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.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Birmingham

Date 20 March 2008

# G C CORBY LIMITED

## PROFIT AND LOSS ACCOUNT for the year ended 30 June 2007

		Year Ended 30 6 07 £	Period 24 3 05 to 30 6 06 £
	Notes		
<b>TURNOVER</b>		3,580,000	-
Cost of sales		<u>(2,030,578)</u>	<u>(1,972)</u>
<b>GROSS PROFIT/(LOSS)</b>		1,549,422	(1,972)
Administrative expenses		<u>(1,860)</u>	<u>(1,275)</u>
<b>OPERATING PROFIT/(LOSS)</b>	3	1,547,562	(3,247)
Interest receivable and similar income		<u>59</u>	<u>-</u>
		1,547,621	(3,247)
Interest payable and similar charges	4	<u>(50,367)</u>	<u>(60,753)</u>
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		1,497,254	(64,000)
Tax on profit/(loss) on ordinary activities	5	<u>(449,176)</u>	<u>19,200</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR/PERIOD AFTER TAXATION</b>	11	<u>1,048,078</u>	<u>(44,800)</u>

### CONTINUING OPERATIONS

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

### TOTAL RECOGNISED GAINS AND LOSSES

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

### NOTE OF HISTORICAL COST PROFITS AND LOSSES

There is difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

The notes form part of these financial statements

# G C CORBY LIMITED

## BALANCE SHEET

30 June 2007

	Notes	30 6 07 £	30 6 06 £
<b>CURRENT ASSETS</b>			
Stocks	7	-	1,530,030
Debtors	8	503,110	10,609
Cash at bank		<u>1,336</u>	<u>2,969</u>
		504,446	1,543,608
<b>CREDITORS</b>			
Amounts falling due within one year	9	<u>(451,166)</u>	<u>(1,588,406)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>53,280</u>	<u>(44,798)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>53,280</u>	<u>(44,798)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	2	2
Profit and loss account	11	<u>53,278</u>	<u>(44,800)</u>
<b>SHAREHOLDERS' FUNDS/ (DEFICIT)</b>	12	<u>53,280</u>	<u>(44,798)</u>

The financial statements were approved by the Board of Directors on 14 March 2008 and were signed on its behalf by

  
G H Gosling - Director

  
J G Downer - Director

The notes form part of these financial statements



# G C CORBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 June 2007

### 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, 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.

#### Turnover

Turnover represents the invoiced value of work done resulting from property development activities. Turnover from land sales is recognised on completion.

#### 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 initially includes the purchase of land and acquisition expenses. Directly attributable development costs are expensed until the viability of a development is considered reasonably secure. Provision is made against stock where circumstances indicate that recovery is unlikely.

#### Deferred tax

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.

#### Amortisation of loan issue costs

Costs incurred in respect of obtaining loan finance are included in other debtors and the costs are amortised over the period of repayment of the loan in proportion to the outstanding loan. In respect of early repayment of the loan they are fully expensed.

### 2 STAFF COSTS

There were no staff costs for the year ended 30 June 2007 nor for the period ended 30 June 2006.

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

	Year Ended 30 6 07	Period 24 3 05 to 30 6 06
Directors	<u>4</u>	<u>4</u>

# G C CORBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 30 June 2007

### 3 OPERATING PROFIT/(LOSS)

The operating profit (2006 - operating loss) is stated after charging

	Year Ended 30 6 07 £	Period 24 3 05 to 30 6 06 £
Auditors' remuneration	1,519	1,250
Auditors' remuneration for non audit work	<u>264</u>	<u>-</u>
Directors' emoluments	<u>-</u>	<u>-</u>

### 4 INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 30 6 07 £	Period 24 3 05 to 30 6 06 £
Bank interest	15,760	53,328
Amortisation of loan issue costs	<u>34,607</u>	<u>7,425</u>
	<u>50,367</u>	<u>60,753</u>

### 5 TAXATION

#### Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit on ordinary activities for the year/period which equates to the standard rate of corporation tax at 30% was as follows

	Year Ended 30 6 07 £	Period 24 3 05 to 30 6 06 £
Current tax		
UK corporation tax	449,176	-
Consortium relief	<u>-</u>	<u>(19,200)</u>
Tax on profit/(loss) on ordinary activities	<u>449,176</u>	<u>(19,200)</u>

# G C CORBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 30 June 2007

### 6 DIVIDENDS

	Year Ended 30 6 07 £	Period 24 3 05 to 30 6 06 £
Final dividend paid	<u>950,000</u>	<u>-</u>

### 7 STOCKS

	30 6 07 £	30 6 06 £
Work in progress	<u>-</u>	<u>1,530,030</u>

### 8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 07 £	30 6 06 £
Amounts owed by group undertakings	502,286	-
Other debtors	-	10,609
Corporation tax	<u>824</u>	<u>-</u>
	<u>503,110</u>	<u>10,609</u>

At 30 June 2007, £251,143 is owed to J J Gallagher Limited and £251,143 to Countrywide Homes Limited, a subsidiary of Countrywide Property Holdings PLC, the shareholders

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 07 £	30 6 06 £
Bank loan	-	1,284,000
Trade creditors	449,866	1,661
Amounts owed to group undertakings	-	293,716
Other creditors	<u>1,300</u>	<u>9,029</u>
	<u>451,166</u>	<u>1,588,406</u>

The bank loan was repaid during the year on the disposal of the land held for development purposes

At 30 June 2006, £146,858 is owed to J J Gallagher Limited and £146,858 to Countrywide Homes Limited, a subsidiary of Countrywide Property Holdings PLC, the shareholders The loans are interest free and subordinated to the bank loan

# G C CORBY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - continued for the year ended 30 June 2007

### 10 CALLED UP SHARE CAPITAL

Authorised Number	Class	Nominal value	30 6 07 £	30 6 06 £
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid Number	Class	Nominal value	30 6 07 £	30 6 06 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

### 11 RESERVES

	Profit and loss account £
At 1 July 2006	(44,800)
Profit for the year	1,048,078
Dividends paid	<u>(950,000)</u>
At 30 June 2007	<u>53,278</u>

### 12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 6 07 £	30 6 06 £
Profit/(loss) for the financial year/period	1,048,078	(44,800)
Dividends	<u>(950,000)</u>	<u>-</u>
	98,078	(44,800)
Issue of shares	<u>-</u>	<u>2</u>
Net addition/(reduction) to shareholders' funds	98,078	(44,798)
Opening shareholders' deficit	<u>(44,798)</u>	<u>-</u>
Closing shareholders' funds/(deficit)	<u>53,280</u>	<u>(44,798)</u>

### 13 CONTROLLING PARTY

The company is jointly controlled by J J Gallagher Limited and Countrywide Property Holdings PLC  
Each of the shareholders is incorporated in England and Wales