

Company Registration No. 05586502

GC Bradley Limited

Report and Financial Statements

30 June 2007



GC Bradley Limited

Report and financial statements 2007

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GC Bradley Limited

Report and financial statements 2007

Officers and professional advisers

Directors

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

Secretary

S A Burnett

Registered Office

15 Hockley Court
Stratford Road
Solihull
West Midlands
B94 6NW

Auditors

Deloitte & Touche LLP
Chartered Accountants
Birmingham
United Kingdom

GC Bradley Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2007

Activities

The company's principal activity is that of dealing in land and buildings, either as an agent or principal
The directors are satisfied with the result for the period and are optimistic about future prospects

Results and Dividends

The profit and loss account is set out on page 5 and shows the loss for the year. The directors do not recommend the payment of a dividend

Directors

The directors of the company during the period and their interests in the ordinary share capital of the company were

	2007
A C Gallagher	-
J G Downer	-
G H Gosling	-
P A King	-

A C Gallagher controls Gallagher UK Limited whose subsidiary J J Gallagher Limited holds 50% of the shares in the company and J G Downer controls Countywide Property Holdings Plc which holds the remaining 50% of the shares

Auditors

In the case of each of the persons who are directors of the company at the date when this report is approved

- So far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware, and
- Each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information

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

Deloitte & Touche LLP were appointed as auditors during the period and have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

The above report has been prepared in accordance with the special provisions relating to small companies under section 246(4) of the Companies Act 1985

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


J G Downer
Director

31 January 2008

GC Bradley Limited

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 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 judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, and
- 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 GC Bradley Limited

We have audited the financial statements of GC Bradley Limited for the year to 30 June 2007 which comprise 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 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 loss 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.

Henrik Jensen, hlp

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
Birmingham, United Kingdom

28 February 2008

GC Bradley Limited

Profit and loss account Year ended 30 June 2007

	Note	Year ended 30 June 2007 £	9 months ended 30 June 2006 £
Cost of sales		(53,365)	(16,019)
Gross loss		(53,365)	(16,019)
Administrative expenses		(2,879)	(10,839)
Other operating income		64,502	51,049
Operating profit	3	8,258	24,191
Interest payable and similar charges	5	(64,324)	(29,803)
Loss on ordinary activities before taxation		(56,066)	(5,612)
Tax on loss on ordinary activities	6	16,820	1,684
Loss on ordinary activities after taxation for the financial year/period		(39,246)	(3,928)

All amounts relate to continuing activities

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

There are no movements in shareholders' funds apart from the loss for the current year and prior period

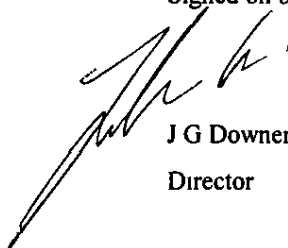
GC Bradley Limited


Balance Sheet 30 June 2007

	Note	30 June 2007 £	30 June 2006 £
Current assets			
Stocks	7	1,024,904	1,024,904
Debtors	8	35,677	8,168
Cash at bank		16,462	-
		<u>1,077,043</u>	<u>1,033,072</u>
Creditors: amounts falling due within one year	9	<u>(1,120,215)</u>	<u>(187,665)</u>
Net current (liabilities)/assets		<u>(43,172)</u>	<u>845,407</u>
Total assets less current liabilities		<u>(43,172)</u>	<u>845,407</u>
Creditors: amounts falling due after more than one year	10	<u>-</u>	<u>(849,333)</u>
Net liabilities		<u>(43,172)</u>	<u>(3,926)</u>
Capital and reserves			
Called up share capital	11	2	2
Profit and loss account	12	<u>(43,174)</u>	<u>(3,928)</u>
Total shareholders' deficit		<u>(43,172)</u>	<u>(3,926)</u>

These financial statements were approved by the Board of Directors on 31 January 2008

Signed on behalf of the Board of Directors


J G Downer
Director


G H Gosling
Director

GC Bradley Limited

Notes to the accounts 30 June 2007

1. Accounting convention

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

Cash flow statement

The Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996) on the grounds of being a small company.

Turnover

Turnover represents the invoiced value of work done resulting from property development activities.

Other operating income

Other operating income represents rental income receivable from development land.

Cost of sales

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, as and when incurred, in accordance with the work in progress accounting policy.

Stock and Work in Progress

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 the 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 uncertain.

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 realized.

2. Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3. Operating profit

	Year ended 30 June 2007 £	9 months ended 30 June 2006 £
Operating profit is after charging		
Auditor's remuneration – fees payable to the company's auditors for the audit of the company's annual accounts	1,500	1,000

GC Bradley Limited

Notes to the accounts 30 June 2007

4. Employees

There are no employees other than the directors for the current year or prior period. No remuneration was paid in the current year or prior period. The directors are remunerated by the joint venture partners and it is considered that an insignificant proportion of their time is spent in dealing with the affairs of the company and it is impracticable to allocate their salary between companies.

5. Interest payable and similar charges

	Year ended 30 June 2007 £	9 months ended 30 June 2006 £
Bank loans, overdrafts	64,324	29,803

6. Tax on loss on ordinary activities

	Year ended 30 June 2007 £	9 months ended 30 June 2006 £
UK Corporation Tax		
Tax on loss on ordinary activities	-	1,684
Group relief	16,820	-
Total current tax	16,820	1,684

The tax assessed on the loss on ordinary activities for the year is equal to the standard rate of corporation tax in the UK (2006 30%)

In March 2007 the UK Government announced that they would introduce legislation that would reduce the corporation tax to 28% with effect from 1 April 2008. This legislation was substantively enacted in June 2007. In addition the effective tax rate for the period to 30 June 2008 is expected to reduce accordingly.

GC Bradley Limited

Notes to the accounts Year ending 30 June 2007

7. Stocks

	2007 £	2006 £
Work-in-progress	1,024,904	1,024,904

8. Debtors

	2007 £	2006 £
Trade debtors	2	2
Other debtors	17,168	6,482
Group relief	18,507	1,684
	<u>35,677</u>	<u>8,168</u>

9. Creditors: amounts falling due within one year

	2007 £	2006 £
Bank loan and overdraft	840,000	1,546
Loans from related undertakings	272,192	182,191
Other tax and social security	5,023	928
Accruals and deferred income	3,000	3,000
	<u>1,120,215</u>	<u>187,665</u>

10. Creditors: amounts falling due after more than one year

	2007 £	2006 £
Bank loans	-	849,333
Maturity of debt		
	Bank loans	Bank loans
	2007	2006
	£	£
In less than one year	840,000	-
In more than one year but not more than two years	-	849,333

Bank borrowings are secured by charges over development properties included in stock and work in progress

GC Bradley Limited

Notes to the accounts Year ending 30 June 2007

11. Called up share capital

	2007	2006
	£	£
Authorised, allotted and fully paid Ordinary shares of £1 each	2	2

12. Profit and loss account

	2007	2006
	£	£
Deficit at 30 June	(3,928)	-
Loss for the year/period	(39,246)	(3,928)
Deficit as at 30 June	(43,174)	(3,928)

13. Ultimate controlling party

The company is under the joint control of JJ Gallagher Limited and Countrywide Property Holdings Plc

14. Related party transactions

As at the year end the company has borrowed the following amounts from the parties as described below,

	2007	2006
	£	£
JJ Gallagher Limited (50% shareholder)	136,096	91,095
Countrywide Homes Limited – Wholly owned subsidiary of Countrywide Property Holdings Plc (50% shareholder)	136,096	91,096

The only transaction in the year being the advancement of funds equally by each party of £45,001 (2006 £91,095) There were no further related party transactions during the period or balances at the period end