

**Company Registration No. 05994842**

**G C Scunthorpe Limited**

**Report and Financial Statements**

**30 June 2008**

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# **G C Scunthorpe Limited**

## **Report and financial statements 2008**

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# **G C Scunthorpe Limited**

## **Report and financial statements 2008**

### **Officers and professional advisers**

#### **Directors**

A C Gallagher  
G H Gosling

#### **Secretary**

S A Burnett

#### **Registered Office**

15 Hockley Court  
Stratford Road  
Solihull  
West Midlands  
B94 6NW

#### **Auditors**

Deloitte LLP  
Chartered Accountants  
Birmingham  
United Kingdom

# G C Scunthorpe Limited

## Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2008. The prior comparative period related to the period from incorporation on 10 November 2006 to 30 June 2007.

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.

### 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.

### Results and Dividends

The profit and loss account is set out on page 5 and shows the loss for the period of £63,954 (2007: £22,213). The directors do not recommend the payment of a dividend.

### Directors

The directors of the company during the year and subsequently were:

A C Gallagher

J G Downer (resigned 4 November 2008)

G H Gosling

P A King (resigned 4 November 2008)

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 Countrywide Property Holdings Limited, which as at 30 June 2008, held the remaining 50% of the shares.

### Basis other than going concern

Subsequent to the year-end, the remaining land balance has been sold and the company has ceased trading. As required by FRS 18, Accounting Policies, the Directors have prepared the accounts on the basis that the Company is not a going concern. No material adjustments arose as a result of preparing the accounts on this basis.

### 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 LLP 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.

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

  
G H Gosling  
Director  
30 April 2009

## **G C Scunthorpe 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; 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 G C Scunthorpe Limited**

We have audited the financial statements of Countrywide Homes Limited for the year ended 30 June 2008 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. 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.

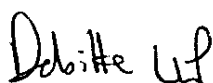
### **Opinion**

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 2008 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.

### **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 to the financial statements which explains that the financial statements have been prepared on a basis other than that of a going concern.



**Deloitte LLP**  
Chartered Accountants and Registered Auditors  
Birmingham, United Kingdom  
30 April 2009

## G C Scunthorpe Limited

### Profit and loss account Period ended 30 June 2008

	Note	Year ended 30 June 2008 £	Period ended 30 June 2007 £
Cost of sales		(66,950)	(33,605)
Gross loss		(66,950)	(33,605)
Administrative expenses		(3,000)	(3,000)
Other operating income		5,996	5,730
<b>Operating loss</b>	3	<u>(63,954)</u>	<u>(30,875)</u>
<b>Loss on ordinary activities before taxation</b>		(63,954)	(30,875)
Tax on loss on ordinary activities	5	-	8,662
<b>Loss on ordinary activities after taxation for the financial period</b>		<u>(63,954)</u>	<u>(22,213)</u>

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 period.

# G C Scunthorpe Limited

## Balance sheet 30 June 2008

	Note	2008 £	2007 £
<b>Current assets</b>			
Stocks	6	187,500	200,000
Debtors	7	4	11,714
Cash at bank and in hand		4,811	-
		<u>192,315</u>	<u>211,714</u>
<b>Creditors: amounts falling due within one year</b>	8	<u>(277,482)</u>	<u>(232,927)</u>
		<u>(85,167)</u>	<u>(21,213)</u>
<b>Capital and reserves</b>			
Called up share capital	9	1,000	1,000
Profit and loss account	10	<u>(86,167)</u>	<u>(22,213)</u>
<b>Total shareholders' deficit</b>	11	<u>(85,167)</u>	<u>(21,213)</u>

These financial statements were approved and authorised for issue by the Board of Directors on 30 April 2009.

Signed on behalf of the Board of Directors



G H Gosling

Director



# G C Scunthorpe Limited

## Notes to the accounts Year ended 30 June 2008

### 1. 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, are set out below.

#### Basis other than going concern

Subsequent to the year-end, the remaining land balance has been sold and the Company has ceased trading. As required by FRS 18, Accounting Policies, the Directors have prepared the accounts on the basis that the Company is not a going concern. No material adjustments arose as a result of preparing the accounts on this basis.

#### 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

#### 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 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 loss

	Year ended 30 June 2008 £	Period ended 30 June 2007 £
<b>Operating loss is after charging</b>		
Auditor's remuneration – fees payable to the Company's auditors for the audit of the Company's annual accounts	2,100	2,000

# G C Scunthorpe Limited

## Notes to the accounts (continued) Year ended 30 June 2008

### 4. Employees

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

### 5. Tax on loss on ordinary activities

	Year ended 30 June 2008 £	Period ended 30 June 2007 £
UK Corporation Tax		
Consortium relief	-	8,662
Total current tax	<u>-</u>	<u>8,662</u>

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax is as follows:

	2008 £	2007 £
Loss on ordinary activities before tax	<u>63,954</u>	<u>30,875</u>
Tax on ordinary activities at the standard rate of corporation tax in the UK of 29.5% (2007 – 30%)	18,866	9,263
Effect of:		
Expenses not deductible for tax purposes	-	(601)
Tax losses not utilised	<u>(18,866)</u>	<u>-</u>
Current tax credit for the period	<u>-</u>	<u>8,662</u>

The impact of the change introduced in the Finance Act 2007 regarding the reduction in corporation tax rate from April 2008 from 30% to 28% has been incorporated into the Company's tax charge and deferred tax provided. The tax rate of 29.5%, used above, is therefore a blended rate.

A deferred tax asset of £17,907 (2007: £nil) has not been recognised as it is uncertain whether suitable profits will be generated in the foreseeable future.

### 6. Stocks

	2008 £	2007 £
Work-in-progress	<u>187,500</u>	<u>200,000</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

# G C Scunthorpe Limited

## Notes to the accounts (continued) Year ended 30 June 2008

### 7. Debtors

	2008	2007
	£	£
Other debtors	4	3,052
Group relief	-	8,662
	<u>4</u>	<u>11,714</u>

All amounts shown under debtors fall due for payment within one year.

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

	2008	2007
	£	£
Bank overdraft	-	16,781
Loans from related undertakings	274,482	213,146
Accruals and deferred income	3,000	3,000
	<u>277,482</u>	<u>232,927</u>

### 9. Called up share capital

	2008	2007
	£	£
Authorised, allotted, called up and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 10. Profit and loss account

	2008	2007
	£	£
Balance at the beginning of the period	(22,213)	-
Loss for the period	<u>(63,954)</u>	<u>(22,213)</u>
Balance at the end of the period	<u>(86,167)</u>	<u>(22,213)</u>

## G C Scunthorpe Limited

### Notes to the accounts (continued) Year ended 30 June 2008

#### 11. Reconciliation of movements in shareholders' deficit

	2008 £	2007 £
Loss for the year	(63,954)	(22,213)
Shares issued in period	-	1,000
Opening shareholders' deficit	<u>(21,213)</u>	<u>-</u>
Closing shareholders' deficit	<u><u>(85,167)</u></u>	<u><u>(21,213)</u></u>

#### 12. Ultimate controlling party

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

Subsequent to the year-end, Countrywide Property Holdings Limited disposed of its shareholding in GC Scunthorpe Limited to Hockley Court Investments Ltd

#### 13. Related party transactions

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

	2008 £	2007 £
JJ Gallagher Limited (50% shareholder)	137,241	106,573
Countrywide Group of companies (50% shareholder)	137,241	106,573

The only transaction in the period being the advancement of funds by each party. There were no further related party transactions during the period or balances at the period end.