

Company Registration Number 5096482

**TERRA NOVA DEVELOPMENTS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2009**

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

CONTENTS

	PAGE
Directors and Advisors	1
Report of the Directors	2
Report of the Independent Auditors	4
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

EXECUTIVE DIRECTORS, ADVISORS AND BANKERS

Directors

S.J. Porter
M.F. Harrison

External Auditors

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Registered office

Southern Gate
729 Princess Road
MANCHESTER
M20 2LT

Internal Auditors

Mazars LLP
Merchant Exchange
Whitworth Street West
Manchester
M1 5WG

Web site

www.greatplaces.org.uk

Bankers

The Royal Bank of Scotland plc
P.O. Box 356
38 Mosley Street
Manchester
M60 2BE

Registered Number

Companies House No. 5096482

TERRA NOVA DEVELOPMENTS LIMITED

Year ended 31 March 2009

REPORT OF THE DIRECTORS

The directors present their report and the financial statements for the year ended 31 March 2009.

Principal Activities

The principal activity of the company during the year was the undertaking of design and build construction contracts primarily for the development of residential property including the rehabilitation and conversion of existing properties.

The company is registered under the Companies Act 1985.

Business Review

During the year, the company recorded a profit after interest and taxation of £2,308 (2008: £72,163).

Directors

Details of the directors are set out on page 1.

Employees

The company has no employees.

Statement of the responsibilities of the directors for the report and financial statements

The Companies Act 1985 requires the directors to prepare financial statements for each financial year which 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 have:

- selected suitable accounting policies and applied them consistently
- made judgements and estimates that are reasonable and prudent
- followed applicable accounting standards
- as a subsidiary of a Registered Social Landlord been mindful of the Statement of Recommended Practice: 'Accounting by Registered Social Landlords Update 2008'
- prepared the financial statements on a going concern basis

The directors are responsible for maintaining an adequate system of internal control and keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable it to ensure that the financial statements comply with the Companies Act 1985. The directors 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. The directors are responsible for ensuring that their report is prepared in accordance with relevant legislation.

The directors acknowledge that they have overall responsibility for establishing, maintaining and monitoring the whole system of internal control and for reviewing its effectiveness. This responsibility applies to all the activities of Terra Nova Developments Limited.

The directors recognise that no system of internal control will provide absolute assurance and/or eliminate risk. The systems of internal control are designed to manage risk and provide reasonable assurance that business plan objectives will be achieved; that key performance indicators will be met, and expected process outcomes met. Our control systems also give reasonable assurance relating to the preparation and reliability of financial/operational information, and the safeguarding of the company's assets and interests.

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

REPORT OF THE DIRECTORS

Going concern

The directors have prepared these accounts on the going concern basis, which they believe is appropriate. This is because, in a Group context, the approved business plan forecasts surpluses from 2009/10 onwards.

Disclosure of information to auditors

At the date of making this report each of the Company's directors, as set out on page 1, confirm the following:

- so far as each director is aware, there is no relevant information needed by the company's auditors in connection with preparing their report 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

External auditors

A resolution to re-appoint Grant Thornton UK LLP will be proposed at the annual general meeting.

Small company provisions

The report of the directors has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.



Phil Elvy
Secretary
Date 13th July 2009

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

**INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDER OF
TERRA NOVA DEVELOPMENTS LIMITED**

We have audited the financial statements of Terra Nova Developments Limited for the year ended 31 March 2009 on pages 6 to 11 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on page 8.

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Respective Responsibilities of Directors and Auditor

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, and whether the information given in the Directors' Report is consistent with the financial statements. We also 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 judgements 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.

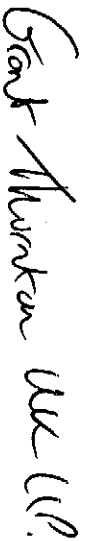
TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDER OF
TERRA NOVA DEVELOPMENTS LIMITED

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 March 2009 and of its profit for the year then ended and 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.



Grant Thornton UK LLP
Chartered Accountants
Registered Auditors
Manchester
10/8/09.

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

PROFIT AND LOSS ACCOUNT

For the year ended 31 March 2009

	2009	2008
	£	£
	Note	
Turnover	19,838,017	27,007,139
Cost of sales	(19,641,595)	(26,737,126)
Gross profit	196,422	270,013
Administrative expenses	(195,770)	(175,064)
Operating profit	652	94,949
Interest receivable	2,269	5,014
Profit on ordinary activities before taxation	2,921	99,963
Tax on profit on ordinary activities	(613)	(27,800)
Profit for the year	2,308	72,163

All amounts derive wholly from continuing operations.

There are no other recognised gains and losses other than the results for the year.

Historical cost profits and losses were identical to those shown in the profit and loss account.

The notes on pages 8 to 11 form part of these financial statements.

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

BALANCE SHEET

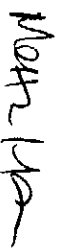
At 31 March 2009

	2009	2008
	£	£
	Note	
Current assets		
Stocks	6	1,234,677
Debtors	7	51,756
Cash at bank and in hand		3,703
		<u>2,992,190</u>
Creditors: Amounts falling due within one year	8	<u>(1,230,822)</u>
		<u>61,622</u>
Net current assets		<u>59,314</u>
		<u><u>61,622</u></u>
Capital and reserves		
Share capital	9	1
Revenue reserves	10	59,313
		<u>61,622</u>
		<u><u>59,314</u></u>

The notes on pages 8 to 11 form part of these financial statements.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the board of directors and authorised for issue on the 13 July 2009 and were signed on its behalf by:



M. F. Harrison
Director

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

NOTES TO THE FINANCIAL STATEMENTS

31 March 2009

- 1. Legal status**
The company is registered under the Companies act 1985, and is a company limited by shares.
- 2. Accounting policies**
Basis of accounting
The financial statements have been prepared in accordance with applicable accounting standards and statements of recommended practice. The financial statements comply with the Companies act 1985, and are prepared on the historical cost basis of accounting.

Cash flow reporting

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

Turnover

Turnover shown in the profit and loss account represents amounts invoiced during the period.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

NOTES TO THE FINANCIAL STATEMENTS

3. Operating profit

Operating profit is stated after charging:		
Auditors' remuneration:		
In their capacity as auditors	1,650	4,211
For non-audit services	500	-
	<u>2,150</u>	<u>4,211</u>

4. Interest receivable

Interest receivable and similar income	2009	2008
	£ 2,269	£ 5,014
	<u>2,269</u>	<u>5,014</u>

5. Corporation Tax

a) Analysis of the charge in the period:

The tax charge on the profit on ordinary activities for the year was as follows:

UK Corporation tax charge for the year	2009	2008
	£ 613	£ 27,800
	<u>613</u>	<u>27,800</u>

b) Factors affecting tax charge for the period:

Profit on ordinary activities before tax	2,921	99,963
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008: 30%)	818	29,989
Effects of:		
Tax credits	(205)	-
Marginal relief	-	(2,189)
	<u>613</u>	<u>27,800</u>

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

NOTES TO THE FINANCIAL STATEMENTS

6. Stock and work in progress		
	2009	2008
	£	£
Work in progress	1,286,068	1,234,677

7. Debtors		
	2009	2008
	£	£
Amounts owed by group undertakings	1,367,564	-
Trade debtors	167,372	-
Other debtors	169,732	51,756
	<u>1,704,668</u>	<u>51,756</u>

8. Creditors: amounts falling due within one year		
	2009	2008
	£	£
Trade creditors	560,190	188,964
Corporation tax	612	27,800
Amounts owed to group undertakings	1,207,389	1,010,408
Accruals	1,162,377	3,650
	<u>2,930,568</u>	<u>1,230,822</u>

9. Share capital		
	2009	2008
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>

TERRA NOVA DEVELOPMENTS LIMITED
Year ended 31 March 2009

NOTES TO THE FINANCIAL STATEMENTS

10. Reserves

	Profit and loss reserve £
At 1 April 2008	59,313
Profit for the year	2,308
At 31 March 2009	<u>61,621</u>

11. Related party transactions

The ultimate controlling party of the company is Great Places Housing Group Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members or investees of the group.

12. Ultimate controlling party

The ultimate controlling party of the company is Great Places Housing Group Limited ('Great Places'), which is a company registered under the Industrial and Provident Housing Act 1965 and which is a registered social landlord. The immediate parent company of Terra Nova Developments Limited is Manchester Methodist Housing Association Limited a subsidiary of Great Places, which is also a company registered under the Industrial and Provident Housing Act 1965.

No loans or guarantees were entered into by Terra Nova Developments Limited with any member of the group.

The consolidated accounts of Great Places Housing Group Limited can be obtained from Great Places Housing Group Limited, Southern Gate, 729 Princess Road, Manchester, M20 2LT.