

Terra Nova Developments Limited
Financial Statements
For
The Year Ended 31 March 2008

Company Registration Number 5096482

BEEVER AND STRUTHERS
Chartered Accountants & Registered Auditors
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

Terra Nova Developments Limited
Financial Statements
Year Ended 31 March 2008

Contents	Pages
The Directors' Report	1 to 2
Independent Auditor's Report to the Shareholder	3 to 4
Profit and Loss Account	5
Balance Sheet	6
Cash flow Statement	7 to 8
Notes to the Financial Statements	9 to 12
The Following Pages Do Not Form Part of the Financial Statements	
Detailed Profit and Loss Account	14
Notes to the Detailed Profit and Loss Account	15

Terra Nova Developments Limited

The Directors' Report

Year Ended 31 March 2008

The directors present their report and the financial statements of the company for the year ended 31 March 2008.

Principal Activities and Business Review

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.

During the year, the company recorded a profit after interest and taxation of £72,163.

Directors

The directors who served the company during the year were as follows:

Mr S.J. Porter
Mr M.F. Harrison

Directors' Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law 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 year.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Terra Nova Developments Limited

The Directors' Report *(continued)*

Year Ended 31 March 2008

The directors are responsible for keeping proper accounting records that 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. 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.

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditor

A resolution to re-appoint Beaver and Struthers as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small Company Provisions

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

Signed by order of the directors

Registered office:
Southern Gate
729 Princess Road
Manchester
M20 2LT



Phil Elvy
Company Secretary

Approved by the directors on 30th June 2008.

Terra Nova Developments Limited
Independent Auditors' Report to the Shareholder of
Terra Nova Developments Limited

Year Ended 31 March 2008

We have audited the financial statements of Terra Nova Developments Limited for the year ended 31 March 2008 on pages 5 to 12 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on page 9.

This report is made solely to the company's shareholder, 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 shareholder 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 shareholder as a body, for our audit work, for this report, or for the opinions we have formed.

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.

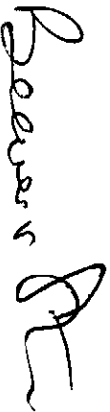
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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
Independent Auditor's Report to the Shareholder of
Terra Nova Developments Limited *(continued)*
Year Ended 31 March 2008

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 2008 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.



BEEVER AND STRUTHERS
Chartered Accountants and
Registered Auditors
St. George's House
215 - 219 Chester Road
Manchester
M15 4JE

20 June 2008

Terra Nova Developments Limited
Profit and Loss Account
Year Ended 31 March 2008

	Note	2008 £	2007 £
Turnover		27,007,139	13,526,307
Cost of sales		<u>26,737,126</u>	<u>13,392,383</u>
Gross profit		270,013	133,924
Administrative expenses		<u>175,064</u>	<u>84,856</u>
Operating profit	2	94,949	49,068
Interest receivable	3	<u>5,014</u>	<u>2,598</u>
Profit on ordinary activities before taxation		99,963	51,666
Tax on profit on ordinary activities	4	<u>(27,800)</u>	<u>(17,709)</u>
Profit for the financial period	10	<u>72,163</u>	<u>33,957</u>

The notes on page 9 to 12 form part of these financial statements.

Terra Nova Developments Limited

Balance Sheet

31 March 2008

	Note	2008	2007
		£	£
Current assets			
Stocks	5	1,234,677	612,699
Debtors	6	51,756	198,763
Cash at bank		<u>3,703</u>	<u>7,992</u>
Creditors: Amounts Falling due Within One Year	7	1,290,136	819,454
		<u>1,230,822</u>	<u>832,303</u>
Net current assets/(liabilities)		<u>59,314</u>	<u>(12,849)</u>
		<u><u>59,314</u></u>	<u><u>(12,849)</u></u>
Capital and reserves			
Called-up equity share capital	9	1	1
Profit and loss account	10	<u>59,313</u>	<u>(12,850)</u>
Equity shareholders' funds/(deficit)		<u><u>59,314</u></u>	<u><u>(12,849)</u></u>

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 directors on the 30th June 2008 and are signed on their behalf by:



Mr S.J. Porter
Director

The notes on pages 9 to 12 form part of these financial statements.

Terra Nova Developments Limited

Cash Flow Statement

For the Year Ended 31 March 2008

	2008	2007
	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	8,406	172,012
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	5,014	2,598
TAXATION	<u>(17,709)</u>	<u>(9,330)</u>
NET CASH INFLOW BEFORE FINANCING	<u>(4,289)</u>	<u>165,280</u>
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(4,289)</u>	<u>165,280</u>
2008	£	2007
2007	£	£
1 RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
Operating profit	94,949	49,068
Working capital movements:		
Stock	(621,978)	(197,435)
Debtors	147,007	67,130
Creditors	<u>388,428</u>	<u>253,249</u>
Net cash inflow from operating activities	<u>8,406</u>	<u>172,012</u>

The notes on pages 9 to 12 form part of these financial statements.

Terra Nova Developments Limited
Cash Flow Statement

For the Year Ended 31 March 2008

	Note	2008 £	2007 £
2 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		<u>5,014</u>	<u>2,598</u>
Net cash inflow from returns on Investments and servicing of finance		<u>5,014</u>	<u>2,598</u>

	At 1 Apr 07 £	Cash Flows £	Other Changes £	At 31 Mar 08 £
3 ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS				
Cash and bank	<u>7,992</u>	<u>(4,289)</u>	-	<u>3,703</u>
	<u>7,992</u>	<u>(4,289)</u>	<u>-</u>	<u>3,703</u>

The notes on pages 9 to 12 form part of these financial statements.

Terra Nova Developments Limited
Notes to the Financial Statements
Year Ended 31 March 2008

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable Accounting Standards and Statements of Recommended Practice.

Turnover

The 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.

2. Operating Profit

Operating profit is stated after charging:

	2008	2007
Directors' emoluments	£	£
Auditors' fees	<u>4,211</u>	<u>2,708</u>

3. Interest Receivable and Other Income

Bank interest	2008	2007
	£	£
	<u>5,014</u>	<u>2,598</u>

4. Corporation Tax

(a) Analysis of charge in the period -

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

	2008	2007
Current tax:		
UK corporation tax charge for the year	27,800	17,709
Deferred tax:		
Origination and reversal of timing differences	<u> </u>	<u> </u>
Tax on profit on ordinary activities	<u>27,800</u>	<u>17,709</u>

Terra Nova Developments Limited
Notes to the Financial Statements
Year Ended 31 March 2008

4. Corporation Tax - continued	2008	2007
	£	£
(b) Factors affecting tax charge for the period -		
Profit on ordinary activities	<u>99,963</u>	<u>51,666</u>
Whereon corporation tax at the standard rate of 30% (2007: 30%)	29,989	15,500
Effects of:		
Expenses not deductible for tax purposes	-	6,121
Marginal relief	<u>(2,189)</u>	<u>(3,912)</u>
Current tax charge for the period	<u>27,800</u>	<u>17,709</u>
5. Stock and Work in Progress		
Work in progress	<u>1,234,677</u>	<u>612,699</u>
6. Debtors		
Amounts owed by group undertakings	£ -	£ 198,763
Other debtors	<u>51,756</u>	<u>-</u>
	<u>51,756</u>	<u>198,763</u>
7. Creditors: Amounts Falling due Within One Year		
Trade creditors	£ 188,964	£ 140,193
Corporation tax	27,800	17,709
Amounts due to group undertakings	1,010,408	-
Other creditors	<u>3,650</u>	<u>674,401</u>
	<u>1,230,822</u>	<u>832,303</u>

Terra Nova Developments Limited

Notes to the Financial Statements

Year Ended 31 March 2008

8. Related Party Transactions

The ultimate controlling company of Terra Nova Developments Limited 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.

9. Share Capital

Authorised share capital:

	2008	2007
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

Ordinary shares of £1 each	No	£
	<u>1</u>	<u>1</u>

10. Profit and Loss Account

At 1 April 2007	(12,850)	£
Accumulated profit for the financial year	<u>72,163</u>	
At 31 March 2008	<u>59,313</u>	

11. Ultimate Controlling Company

The ultimate controlling company of Terra Nova Developments Limited is Great Places Housing Group Limited ('Great Places'), which is a company registered in England under the Industrial and Provident Societies Act 1965. 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 in England under the Industrial and Provident Societies Act 1965.

Terra Nova Developments Limited

Notes to the Financial Statements

Year Ended 31 March 2008

11. Ultimate Parent Company - continued

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.

Terra Nova Developments Limited

Management Information

Year Ended 31 March 2008

The following pages do not form part of the statutory financial statements which are the subject of the independent auditor's report on pages 3 to 4.

Terra Nova Developments Limited

Detailed Profit and Loss Account Year Ended 31 March 2008

	£	2008	£	2007
Turnover		27,007,139		13,526,307
Cost of sales				
Purchases		27,971,803		14,005,082
Closing stock and work-in-progress		<u>(1,234,677)</u>		<u>(612,699)</u>
		<u>26,737,126</u>		<u>13,392,383</u>
Gross profit		270,013		133,924
Overheads				
Administrative expenses		<u>175,064</u>		<u>84,856</u>
Operating profit		94,949		49,068
Bank interest receivable		<u>5,014</u>		<u>2,598</u>
Profit on ordinary activities		<u>99,963</u>		<u>51,666</u>

Terra Nova Developments Limited

Notes to the Detailed Profit and Loss Account

Year Ended 31 March 2008

	2008	2007		
	£	£	£	£
Administrative expenses				
General Expenses				
Management charges payable	169,611	81,812		
Subscriptions	-	146		
Other professional fees	1,175	-		
Auditors remuneration	<u>4,211</u>	<u>2,708</u>		
		174,997		84,666
Financial Costs				
Bank charges		<u>67</u>		<u>190</u>
		<u>175,064</u>		<u>84,856</u>
Interest receivable				
Bank interest receivable		<u>5,014</u>		<u>2,598</u>

