

TBMC GROUP LIMITED

Registered Number: 04226663

TBMC GROUP LIMITED
Report of the Directors and
Financial Statements
Year Ended 31 December 2008



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Company information

DIRECTORS:

J A Heron
J G Gemmell (appointed 13/10/09)
R D Shelton (appointed 13/10/09)
A E Young (resigned 13/10/09)
P A Rockett (resigned 13/10/09)

SECRETARY:

P A Rockett (resigned 13/10/09)
J G Gemmell (appointed 13/10/09)

REGISTERED OFFICE:

Greenmeadow House
2 Village Way
Greenmeadow Springs Business Park
Cardiff
CF15 7NE

AUDITORS:

Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

BANKERS:

National Westminster Bank Plc
1 Taff Street
Pontypridd
Rhondda Cynon Taff
CF37 4UU

Director's report for the year ended 31st December 2008

The directors present their report and the audited financial statements of the Company for the year ended 31st December 2008.

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

For the year ended 31 December 2008 the Company was entitled to exemption from audit under section 249AA (1) of the Companies Act 1985 ('the Act') and members have not required the Company to obtain an audit of its accounts for the year in question in accordance with subsection (2) of 249B of the Act.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the Company was that of a mortgage intermediary and packager prior to it ceasing trading on 21 March 2007.

GOING CONCERN AND FUTURE PROSPECTS

The Company has remained dormant since it ceased trading on 21 March 2007 and the Directors have no plans to resume trading in the foreseeable future. In accordance with Financial Reporting Standard 18 'Accounting Policies', the financial statements have been prepared on a basis other than that of a going concern. No material adjustments have arisen as a result of ceasing to apply the going concern basis of preparation.

DIRECTORS

The Directors of the business who served during the year are listed on page 3.

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



.....
J G Gemmell
Secretary

Date: 28 October 2009

STATEMENT OF DIRECTORS RESPONSIBILITIES
In relation to Financial Statements

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 the 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 and 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, subject to any material departures disclosed and explained in the financial statements;
- 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.

TBMC GROUP LIMITED

**Profit and loss account
for the year ended 31 December 2008**

		2008 (£)	2007 (£)
	Notes		
TURNOVER		-	2,044,438
Cost of sales		-	(1,048,663)
GROSS PROFIT		-	995,775
Administrative expenses		-	(813,276)
Other operating income		-	1,000
OPERATING PROFIT	2	-	183,499
Profit on disposal of assets at hive-up	4	-	6,617,739
Interest receivable and similar income	5	-	1,181
Interest payable and similar charges	6	-	(238,932)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	6,563,487
Tax on profit on ordinary activities	7	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		-	6,563,487

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current period. Accordingly, no statement of recognised gains and losses has been presented.

DISCONTINUED OPERATIONS

On 21 March 2007, the Company ceased trading.

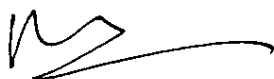
TBMC GROUP LIMITED

**Balance sheet
31 December 2008**

	Notes	2008 (£)	2007 (£)
CURRENT ASSETS			
Tangible assets		-	-
Investments		-	-
Debtors	8	100	100
Cash at bank		-	-
		<u>100</u>	<u>100</u>
CURRENT LIABILITIES			
Creditors: amounts falling due within one year		-	-
Deferred tax liability		-	-
		<u>100</u>	<u>100</u>
NET CURRENT ASSETS			
		<u>100</u>	<u>100</u>
Creditors: amounts falling due after more than one year		-	-
		<u>100</u>	<u>100</u>
NET ASSETS			
		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Profit and loss account	10	-	-
		<u>100</u>	<u>100</u>
SHAREHOLDERS' FUNDS			
		<u>100</u>	<u>100</u>

For the year ended 31 December 2008 the Company was entitled to exemption from audit under section 249AA (1) of the Companies Act 1985 ('the Act') and members have not required the Company to obtain an audit of its accounts for the year in question in accordance with subsection (2) of 249B of the Act. These financial statements were approved by the board of directors on .

Signed on behalf of the Board of Directors



R D Shelton
Director

The accompanying notes are an integral part of this balance sheet.

Notes to the accounts for the year ended 31 December 2008

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention. The accounting policies herein have been applied consistently throughout the current and preceding year.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

All turnover is generated through the provision of mortgage intermediation services to customers based in the United Kingdom.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures, fittings and equipment	- 25% on reducing balance and 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Fixed asset investments

Fixed asset investments are stated at cost, less any provision for impairment.

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 substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

Notes to the accounts for the year ended 31 December 2008 (continued)

1. ACCOUNTING POLICIES (continued)

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Going concern

On 21 March 2007, the entire trade and assets of TBMC Group Limited were hived up into The Business Mortgage Company Limited (formerly Oval (2125) Limited) and since this date, TBMC Group Limited has ceased trading.

As required by Financial Reporting Standard 18 'Accounting Policies', the directors have prepared the financial statements on a basis other than that of a going concern. No material adjustments have arisen as a result of ceasing to apply the going concern basis of preparation.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2008 (£)	2007 (£)
Depreciation – owned assets	-	8,263
Depreciation – assets held under hire purchase agreements	-	3,445
Operating lease rentals	-	16,817

The analysis of auditors remuneration is as follows:

	2008 (£)	2007 (£)
Fees payable to the company's auditors for the audit of the company's annual accounts	-	500
Fees payable to the company's auditors and their associates for other services to the company	-	-

Auditors remuneration for the current year has been borne by The Business Mortgage Company Limited, the ultimate parent company, on behalf of the Company. Auditors remuneration for the prior year was borne by, and paid by, the Company. Auditors remuneration for both years is payable to Deloitte & Touche LLP.

Notes to the accounts for the year ended 31 December 2008 (continued)

3. STAFF COSTS

Employee costs during the year amounted to:

	2008 (£)	2007 (£)
Wages and salaries	-	232,471
Social security costs	-	23,712
	<hr/>	<hr/>
	-	256,183
	<hr/>	<hr/>

The Company has had no employees.

Included in above costs is director's remuneration of:

	2008 (£)	2007 (£)
Salary (including bonus)	-	-
Social security costs	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

4. PROFIT ON DISPOSAL OF ASSETS AT HIVE UP

The trade and assets of the Company were hived up into The Business Mortgage Company Limited (formerly Oval (2125) Limited) on 21 March 2007.

The Company received total consideration of £6,883,000 from The Business Mortgage Company Limited (formerly Oval (2125) Limited) in respect of this transaction. On this date, the Company had net assets of £265,261 and therefore, the transaction generated a profit on disposal of £6,617,739.

Since the transaction, the trade of the Company has been continued by The Business Mortgage Company Limited (formerly Oval (2125) Limited).

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2008 (£)	2007 (£)
Deposit account interest	-	1,181
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Notes to the accounts for the year ended 31 December 2008 (continued)

6. INTEREST PAYABLE AND SIMILAR CHARGES

Interest payable and similar charges includes the following:

	2008 (£)	2007 (£)
Interest payable on hire		
purchase contracts	-	489
Other interest payable	-	238,443
	<hr/>	<hr/>
	-	238,932
	<hr/>	<hr/>

7. TAXATION**Analysis of the tax charge**

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

	2008 (£)	2007 (£)
Current tax:		
UK corporation tax	-	-
Deferred tax (credit) /	-	-
charge	<hr/>	<hr/>
Tax on profit on ordinary		
activities	-	-
	<hr/>	<hr/>

Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2008 (£)	2007 (£)
Profit on ordinary activities		
before tax	-	6,563,487
	<hr/>	<hr/>
Tax on profit on ordinary		
activities at standard rate		
of UK corporation tax – 30%		
(2006 – 30%)	-	1,969,046
Adjusted for effects of:		
Expenses not deductible for		
tax purposes	-	238
Capital allowances in		
excess of depreciation	-	838
Non-taxable income	-	(2,189,961)
Losses not utilised	-	70,317
Utilisation of brought		
forward tax losses	-	149,522
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>

Notes to the accounts for the year ended 31 December 2008 (continued)

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 (£)	2007 (£)
Amounts owed by parent undertaking	100	100
	<u>100</u>	<u>100</u>

9. CALLED UP SHARE CAPITAL

Authorised share capital			
Class	Number	2008 (£)	2007 (£)
Ordinary £1 shares	900	900	900
Ordinary 10p shares	1,000	100	100
		<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid			
Class	Number		
Ordinary £1 shares	-	-	-
Ordinary 10p shares	1,000	100	100
		<u>100</u>	<u>100</u>

10. RESERVES

	Profit and loss account (£)
At 1 January 2008	-
Profit for the year	-
Dividends (note 8)	-
At 31 December 2008	<u>-</u>

TBMC GROUP LIMITED

Notes to the accounts for the year ended 31 December 2008 (continued)

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

	2008 (£)	2007 (£)
Profit for the year	-	6,563,487
Dividends (note 8)	-	(6,900,000)
Net (reduction in) / addition to shareholders funds	-	(336,513)
Opening shareholders funds	100	336,613
Closing shareholders fund	100	100

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is TBMC 2 Limited (formally The Business Mortgage Company Limited). The ultimate parent undertaking and controlling party is the Paragon Group of Companies PLC, a company registered in England and Wales. Copies of the Group's financial statements are available from that company's registered office at St Catherine's Court, Herbert Road, Solihull, West Midlands, B91 3QE.