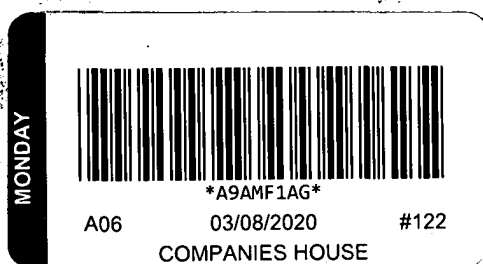


**TAYLOR WIMPEY HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**



**Company number: 00401589**

# **TAYLOR WIMPEY HOLDINGS LIMITED**

## **COMPANY INFORMATION**

### **Directors**

C Carney  
J Daly  
A H Marsden

### **Company Secretary**

K E Hindmarsh

### **Registered number**

00401589

### **Registered office**

Gate House  
Turnpike Road  
High Wycombe  
Buckinghamshire  
HP12 3NR  
United Kingdom

### **Independent Auditor**

Deloitte LLP  
Statutory Auditor  
London  
United Kingdom

# **TAYLOR WIMPEY HOLDINGS LIMITED**

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## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their Strategic Report on Taylor Wimpey Holdings Limited (“the Company”) for the year ended 31 December 2019.

#### **Principal activities and future developments**

The Company’s principal activity during the year was to issue licences for the use of Intellectual Property of the Taylor Wimpey plc group (the “Group”) and collect royalties due on the use of the Intellectual Property by the Group. The Company owns certain Intellectual Property (“IP”) of the Group. Licences for the use of these rights have been issued to fellow Group subsidiaries and royalties due are collected from these companies. The Directors anticipate the Company will continue to operate in this manner for the foreseeable future subject to the risks and uncertainties noted below. No change in activities in 2020 or for the foreseeable future is expected.

#### **Financial review and key performance indicators**

The Company’s profit for the financial year is £506.7 million (2018: £506.5 million) including a dividend received from a subsidiary company of £500.0 million (2018: £500.0 million), an increase of IP royalties of 5.7% due to improved trading results of subsidiary companies, and the reversal of an historic investment impairment in its subsidiary company Taylor Wimpey Developments of £12.5 million (2018: £19.7 million). Net assets at 31 December 2019 were £684.4 million (2018: £677.6 million). The Company is not considered to have any additional financial key performance indicators. The Company paid a dividend of £500.0 million during the year (2018: £500.0 million) to its parent company Taylor Wimpey plc.

#### **Section 172 Directors' duties**

The Directors have regard to the interests of the Company's wider stakeholders, in accordance with s172 of the Companies Act.

The Directors are required by law to act in a way that promotes the success of the Company for the benefit of shareholders as a whole. In so doing the Company must, in accordance with Section 172 of the Companies Act 2006, also have regard to wider expectations of responsible business behaviour, such as having due regard to the interests of, and actively engaging with, its employees; the need to engage and foster business relationships with suppliers, customers and others; the need to act fairly as between members of the Company; the likely consequences of any decision in the long term; the desirability of maintaining a reputation for high standards of business conduct; and the impact of the Company’s operations on the community and the wider environment.

Taylor Wimpey Holdings Limited is part of a Group headed by Taylor Wimpey plc, the Board of which (the “plc Board”) has ultimate responsibility for compliance with Section 172 for the Group. Further details of how the Board undertook its responsibilities during 2019 and details of the Group wide considerations can be found in the Taylor Wimpey plc Annual Report and Accounts available from the address shown in note 18.

#### **Dividends**

In 2019 a dividend of £500.0 million (2018: £500.0 million) was received from Taylor Wimpey Developments Limited. This was immediately distributed to the Company’s parent, Taylor Wimpey plc.

#### **Principal risks and uncertainties**

The Directors consider the principal risks and uncertainties facing the Company to be equivalent to those facing the Group, as outlined within the Directors’ report accompanying those consolidated financial statements, which are publicly available as disclosed in note 18.

#### **Financial risk management and policies**

The financial risk management objectives and policies of the Company are equivalent to those of the Group. The use of financial derivatives is governed by the Group’s policies. The Company has no derivative instruments outstanding at the end of the year.

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

#### **Liquidity risk**

Liquidity risk is the risk that the Company does not have sufficient financial resources available to meet its obligations as they fall due. At 31 December 2019, the Company is in a net assets position and is directly dependent on Taylor Wimpey plc ("TW plc") to support the settlement of its liabilities and commitments. Liquidity risk is therefore managed by the confirmation from the Directors of TW plc that it will provide the necessary financial support to the Company.

#### **Going concern**

The Company is reliant on its ultimate parent company TW plc to support the recoverability of its investments. As at 31 December 2019 the Company is in a net current liabilities position and requires support from TW plc to fund its own operations and working capital requirements as they fall due.

The Directors of the Company have confirmed with TW plc that it will continue to provide the necessary financial support to the Company for a period of at least 12 months from the date of approval of these financial statements.

TW plc is the ultimate parent of the Group. The Group is profitable and is in a strong financial position. In making this assessment the Group has considered the impact of the Covid-19 pandemic, including recent financial performance. This assessment has resulted in revisions to the Group's forecast of performance over the going concern period. When revised, these forecasts continue to demonstrate that the Group is able to provide financial support to the Company for a period of at least 12 months.

The Directors of the Company are of the view, at the time of approving the financial statements, that there is a reasonable expectation the Company will be able to remain in existence for at least 12 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

This strategic report was approved by the Board of Directors and is signed on its behalf by:



C Carney  
Director

Date: 24 July 2020

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

The Directors present their Annual Report and the audited financial statements of the Company for the year ended 31 December 2019. The principal activities, future developments, dividends, going concern and risks for the Company are detailed within the Strategic Report.

#### **Directors**

The following Directors held office during the year and up to the date of the signing of this report:

C Carney

J Daly

J J Jordan (Resigned 31 December 2019)

A H Marsden (Appointed 31 December 2019)

#### **Qualifying third party indemnity provisions**

Taylor Wimpey plc has granted indemnities in favour of the Directors and officers of its Group subsidiary companies against financial exposure that they may incur in carrying out their duties (including the Directors and officers of this company). These have been granted in accordance with section 234 of the Companies Act 2006.

#### **Directors' responsibilities statement**

The Directors are responsible for preparing the annual report and 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), including FRS 101 "Reduced Disclosure Framework".

Under company law the Directors must not approve the financial statements unless they are satisfied that they 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 judgements and accounting 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; 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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 2006. 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.

#### **Auditor**

Each person who is a Director at the date of approval of this report confirms that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

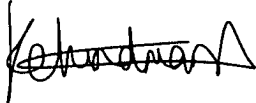
**TAYLOR WIMPEY HOLDINGS LIMITED**

**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

**Re-appointment of Auditor**

Deloitte LLP has indicated its willingness to be re-appointed as auditor for another term. Appropriate arrangements have been put in place for them to be deemed re-appointed as auditor in the absence of an annual general meeting.

This Directors' report was approved by the Board of Directors and is signed on its behalf by:



K E Hindmarsh  
Company Secretary  
Registered office:  
Gate House  
Turnpike Road  
High Wycombe  
Buckinghamshire  
HP12 3NR  
United Kingdom

Date: 24 July 2020

# **TAYLOR WIMPEY HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAYLOR WIMPEY HOLDINGS LIMITED**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Taylor Wimpey Holdings Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.



## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAYLOR WIMPEY HOLDINGS LIMITED (continued)**

#### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

#### **Responsibilities of Directors**

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Report on other legal and regulatory requirements**

##### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic report or the Directors' report.

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAYLOR WIMPEY HOLDINGS LIMITED (continued)**

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.



Dean Cook MA FCA (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London  
United Kingdom  
Date: 24 July 2020

**TAYLOR WIMPEY HOLDINGS LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £'000	2018 £'000
<b>Revenue</b>	3	<b>16,947</b>	16,026
Cost of sales		(7)	(19)
<b>Gross profit</b>		<b>16,940</b>	16,007
Reversal of impairment of investments in subsidiary undertakings	11	12,462	19,665
Income from shares in Group undertakings	6	500,000	500,000
<b>Operating profit</b>	4	<b>529,402</b>	535,672
<b>Profit before interest and tax</b>		<b>529,402</b>	535,672
Finance income	7	1	—
Finance costs	8	(22,662)	(29,219)
<b>Profit before tax</b>		<b>506,741</b>	506,453
Tax	9	—	—
<b>Profit for the financial year</b>		<b>506,741</b>	506,453
Other comprehensive result for the year net of tax		—	—
<b>Total comprehensive income for the year</b>		<b>506,741</b>	506,453

All the results reported above for both the current and prior year relate solely to continuing operations.

# TAYLOR WIMPEY HOLDINGS LIMITED

Company number: 00401589

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £'000	2018 £'000
<b>Non-current assets</b>			
Intangible assets	10	3,111	3,111
Investments in subsidiary undertakings	11	1,970,606	1,958,144
Investments in joint venture undertakings	12	2	2
		<u>1,973,719</u>	<u>1,961,257</u>
<b>Current assets</b>			
Trade and other receivables	13	50	48
Cash at bank and in hand		2	2
		<u>52</u>	<u>50</u>
<b>Current liabilities</b>			
Trade and other payables	14	(1,289,382)	(1,283,659)
		<u>(1,289,382)</u>	<u>(1,283,659)</u>
<b>Net current liabilities</b>		<u>(1,289,330)</u>	<u>(1,283,609)</u>
<b>Total assets less current liabilities</b>		<u>684,389</u>	<u>677,648</u>
<b>Net assets</b>		<u>684,389</u>	<u>677,648</u>
<b>Capital and reserves</b>			
Share capital	16	16,255	16,255
Retained earnings		668,134	661,393
<b>Shareholders' funds</b>		<u>684,389</u>	<u>677,648</u>

The financial statements were approved and authorised for issue by the Board of Directors and signed on its behalf by:



C Carney  
Director

Date: 24 July 2020

**TAYLOR WIMPEY HOLDINGS LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Share capital £'000	Retained earnings £'000	Total £'000
<b>Balance at 1 January 2019</b>		<b>16,255</b>	<b>661,393</b>	<b>677,648</b>
Profit for the year		—	506,741	506,741
Other comprehensive result for the year net of tax		—	—	—
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>506,741</b>	<b>506,741</b>
Dividends paid	6	—	(500,000)	(500,000)
<b>Total distributions to owners</b>		<b>—</b>	<b>(500,000)</b>	<b>(500,000)</b>
<b>Balance at 31 December 2019</b>		<b>16,255</b>	<b>668,134</b>	<b>684,389</b>
<b>Balance at 1 January 2018</b>		<b>16,255</b>	<b>654,940</b>	<b>671,195</b>
Profit for the year		—	506,453	506,453
Other comprehensive result for the year net of tax		—	—	—
<b>Total comprehensive income for the year</b>		<b>—</b>	<b>506,453</b>	<b>506,453</b>
Dividends paid	6	—	(500,000)	(500,000)
<b>Total distributions to owners</b>		<b>—</b>	<b>(500,000)</b>	<b>(500,000)</b>
<b>Balance at 31 December 2018</b>		<b>16,255</b>	<b>661,393</b>	<b>677,648</b>

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019**

#### **1. Accounting policies**

##### **General information and basis of preparation**

The following accounting policies have been used consistently throughout the current and prior year.

Taylor Wimpey Holdings Limited is a private company incorporated and domiciled in the United Kingdom. The Company is limited by shares. The Company is registered in England and Wales and its registered office is noted on page 5, its principal activities are noted on page 2.

The financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The financial statements have been prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 101 "FRS 101", "Reduced Disclosure Framework". The financial statements are prepared in pounds sterling, which is the functional currency of the Company and rounded to the nearest thousand pounds.

The financial statements contain information about Taylor Wimpey Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent undertaking, Taylor Wimpey plc, a company registered in England and Wales.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

##### **Going concern**

The Company is reliant on its ultimate parent company Taylor Wimpey plc ("TW plc") to support the recoverability of its investments. As at 31 December 2019 the Company is in a net current liabilities position and requires support from TW plc to fund its own operations and working capital requirements as they fall due.

The Directors of the Company have confirmed with TW plc that it will continue to provide the necessary financial support to the Company for a period of at least 12 months from the date of approval of these financial statements.

TW plc is the ultimate parent of the Group. The Group is profitable and is in a strong financial position. In making this assessment the Group has considered the impact of the Covid-19 pandemic, including recent financial performance. This assessment has resulted in revisions to the Group's forecast of performance over the going concern period. When revised, these forecasts continue to demonstrate that the Group is able to provide financial support to the Company for a period of at least 12 months.

The Directors of the Company are of the view, at the time of approving the financial statements, that there is a reasonable expectation the Company will be able to remain in existence for at least 12 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

##### **Disclosure exemptions**

As permitted by FRS 101 as a qualifying entity, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, certain disclosure in respect of revenue from contracts with customers, impairment of assets and certain related party transactions. Where relevant, equivalent disclosures have been given in the Group financial statements of Taylor Wimpey plc.

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

#### **1. Accounting policies (continued)**

##### **Adoption of new and revised standards of interpretation**

The Company has adopted the following standards and amendments in the year, none of which had a material impact on the financial statements.

- IFRIC 23 'Uncertainty over income tax treatments';
- IAS 28 'Investments in Associates and Joint Ventures' (amendments) - long-term interests in associates and joint ventures;
- IAS 19 'Employee Benefits' (amendments) - plan amendment, curtailment or settlement; and
- Annual improvements to IFRSs 2015-2017 Cycle.

##### **Revenue**

Revenue comprises royalties due under intellectual property licences held by the Company. Royalties are recognised in the Statement of Comprehensive Income over the term to which they relate.

##### **Dividends receivable**

Dividend income is recognised as the Company's right to receive payment is established.

##### **Borrowing costs**

Borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

##### **Investments in subsidiary undertakings**

Investments are included in the balance sheet at cost less any provision for impairment. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount of the investment. If the recoverable amount of an investment is less than the value of the investment, the investment is considered impaired and is written down to its recoverable amount. An impairment loss is expensed immediately. Where an impairment loss subsequently reverses, due to a change in circumstances or in the estimates used to determine the asset's recoverable amount, the carrying amount of the investments is increased to the revised estimate of its recoverable amount, so long as it does not exceed the original carrying value prior to the impairment being recognised.

The Company values its investments in subsidiary holding companies based on a comparison between the net assets recoverable by the subsidiary company and the investments held. Where the net assets are lower than the investment an impairment is recorded. For trading subsidiaries, the investment carrying value in the Company is assessed against the net present value of the cash flows for the subsidiary.

##### **Investments in joint venture undertakings**

Investments in joint ventures are measured at historic cost less any provision for impairment. Joint venture undertakings are incorporated unlisted entities held as long-term investments in which the Company has joint control with one or more other ventures under a contractual arrangement.

##### **Intellectual property**

Intellectual property is stated in the Statement of Financial Position at cost and has an indefinite useful economic life. Such intellectual property is reviewed for impairment at least annually and any impairment is recognised immediately in the Statement of Comprehensive Income. Royalties on the intellectual property are recognised as revenue in the Statement of Comprehensive Income when earned.

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

#### **1. Accounting policies (continued)**

##### **Financial instruments**

Financial assets and liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. The below financial instruments are measured at amortised cost.

##### ***Group receivables***

Amounts receivable from Group undertakings are stated at their nominal value.

##### ***Group payables***

Amounts payable to Group undertakings are stated at their nominal value.

##### **Taxation**

The tax charge represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using corporation tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Any liability or credit in respect of group relief in lieu of current tax is also calculated on the same basis unless a different rate (including a nil rate) has been agreed within the Group.

##### ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are also recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is calculated, on a non-discounted basis, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted by the Statement of Financial Position date.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is charged or credited in the Statement of Comprehensive income, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.



# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 1. Accounting policies (continued)

#### Foreign currencies

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each Statement of Financial Position date, monetary assets and liabilities that are denominated in foreign currencies other than the functional currency are retranslated at the rates prevailing on the Statement of Financial Position date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period.

### 2. Key sources of estimation uncertainty and critical accounting judgements

Preparation of the financial statements requires management to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Management consider that there are no material areas of estimation uncertainty or critical accounting judgements to be made in the preparation of these financial statements.

### 3. Revenue

Revenue in the year arose from the Company's principal activity and solely in the United Kingdom.

	2019 £'000	2018 £'000
Royalties income	16,947	16,026
	<u>16,947</u>	<u>16,026</u>

### 4. Operating profit

	2019 £'000	2018 £'000
Fee payable to the Company's auditor for the audit of the Company's annual financial statements	6	6

Fees paid to the Company's auditor for other, non-audit, services were £nil (2018: £nil).

### 5. Employees and Directors

The Company did not employ any persons during the year (2018: none). Directors' remuneration and benefits paid by the Company in the year amounted to £nil (2018: £nil). Directors are not remunerated for qualifying services provided to the Company.

### 6. Dividends

	2019 £'000	2018 £'000
Dividend received from fellow Group subsidiaries	500,000	500,000
Dividend paid to parent undertaking	<u>(500,000)</u>	<u>(500,000)</u>

# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 6. Dividends (continued)

The Company received a dividend of £500.0 million (2018: £500.0 million) from its subsidiary undertaking Taylor Wimpey Developments Limited and paid a dividend of £500.0 million (2018: £500.0 million) to its parent Taylor Wimpey plc. The dividend per share was 31p (2018: 31p).

### 7. Finance income

	2019 £'000	2018 £'000
Net foreign exchange differences	1	—
	<u>1</u>	<u>—</u>

### 8. Finance costs

	2019 £'000	2018 £'000
Interest charged on loans with Group companies	22,662	29,219
	<u>22,662</u>	<u>29,219</u>

### 9. Tax

	2019 £'000	2018 £'000
<b>Current tax charge</b>		
UK corporation tax on profits of the year	—	—
Adjustments in respect of prior periods	—	—
<b>Deferred tax charge</b>		
Current deferred tax	—	—
Adjustments in respect of prior periods	—	—
<b>Tax on profit</b>	<u>—</u>	<u>—</u>

The standard rate of current tax for the year, based on the weighted average of the UK standard rate of corporation tax is 19% (2018: 19%).

# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 9. Tax (continued)

The tax charge for the year can be reconciled as follows:

	2019 £'000	2018 £'000
Profit before tax	<u>506,741</u>	<u>506,453</u>
Standard rate of corporation tax of 19% (2018: 19%)	96,281	96,226
Effects of:		
Tax effect of dividend income that is not taxable in determining taxable profit	(95,000)	(95,000)
Tax effect of investment impairment reversal that is not taxable in determining taxable profit	(2,368)	(3,736)
Disallowable items	(13)	(13)
Group relief surrendered for no payment	<u>1,100</u>	<u>2,523</u>
Total tax charge	<u>—</u>	<u>—</u>

Finance Act 2016 introduced legislation to reduce the main rate of corporation tax to 17% from 1 April 2020 and these rates have therefore been used to measure deferred tax assets and liabilities where applicable. Following the Budget on 11 March 2020, the current rate of corporation tax of 19% will continue to be effective for periods from 1 April 2020.

### 10. Intangible assets

#### Intellectual property costs

Cost and net book value	£'000
At 31 December 2018 and 31 December 2019	<u>3,111</u>

Intellectual property has been assessed as having an indefinite useful economic life. Such intellectual property relates to the brand name, Taylor Wimpey, which is utilised throughout the business and will continue to be used in the foreseeable future. No impairment of this balance is required due to the value of the recoverable amount of the asset which is based on the asset's value in use throughout the Group.

# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 11. Investments in subsidiary undertakings

	£'000
<b>Cost</b>	
At 1 January 2019	2,563,454
Additions	—
Disposals	—
At 31 December 2019	<u>2,563,454</u>
<b>Impairment</b>	
At 1 January 2019	(605,310)
Additions	—
Reversal	12,462
At 31 December 2019	<u>(592,848)</u>
<b>Net book value</b>	
At 31 December 2019	<u>1,970,606</u>
At 31 December 2018	<u>1,958,144</u>

The net book value of the investments in subsidiary undertakings matches the recoverable value of the investments which are based on net asset value.

In 2016 the Company's investment in Taylor Wimpey Development was impaired due to a fall in its net asset value following the payment of a dividend up to its Parent Company. The net asset value of Taylor Wimpey Developments increased in the current year and resulted in a partial reversal of the previously recognised impairment charge.

The subsidiary undertakings of the Company are listed under note 17.

### 12. Investments in joint venture undertakings

	£'000
<b>Cost</b>	
At 31 December 2018 and 31 December 2019	<u>2</u>

In the opinion of the Directors the value of the Company's investments in its joint venture undertakings is not less than the amount at which it is stated in the Statement of Financial Position.

The joint venture undertakings of the Company are listed under note 17.

### 13. Trade and other receivables

	Current	
	2019	2018
	£'000	£'000
Amounts owed by Group undertakings	<u>50</u>	<u>48</u>
	<u>50</u>	<u>48</u>

Amounts owed by Group undertakings are unsecured, non-interest bearing and have no fixed repayment dates.

# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 14. Trade and other payables

	Current	
	2019	2018
	£'000	£'000
Amounts owed to parent	1,289,382	1,283,659
	<u>1,289,382</u>	<u>1,283,659</u>

Amounts owed to the parent Taylor Wimpey plc are unsecured, repayable on demand and are interest bearing at a rate of 1.76% (2018: between 2.20% and 2.45%).

### 15. Deferred tax

At the Statement of Financial Position date, the Company has unused capital losses of £8,924k (2018: £8,924k) available for offset against future capital profits. No deferred tax asset has been recognised in respect of these losses as the Company does not believe that it is probable that they will be utilised in the foreseeable future.

### 16. Share capital

	2019	2018
	£'000	£'000
<b>Authorised:</b>		
2,000,000,000 (2018: 2,000,000,000) ordinary shares of 1p each	<u>20,000</u>	<u>20,000</u>
<b>Allotted, called-up and fully paid:</b>		
1,625,451,613 (2018: 1,625,451,613) ordinary shares of 1p each	<u>16,255</u>	<u>16,255</u>

### 17. Details of investments

The following was a direct subsidiary undertaking of the Company:

Taylor Wimpey Developments Limited.

The Company holds 100% interest in the ordinary share capital of Taylor Wimpey Developments Limited whose principal activity is being a holding company.

The registered office of Taylor Wimpey Developments Limited is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom.

# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 17. Details of investments (continued)

The following were indirect subsidiary undertakings of the Company at the Statement of Financial Position date:

Name	Class of shares	Holding	Principal activity
Admiral Developments Limited	Ordinary	100%	Dormant
Admiral Homes Limited	Ordinary	100%	Dormant
Admiral Homes (Eastern) Limited	Ordinary	100%	Dormant
Ashton Park Limited	Ordinary	100%	Golf club management
Brunswick Dock (Liverpool) Management Company Limited	Ordinary	100%	Dock side management
BGS (Pentian Green) Holdings Limited	Ordinary	100%	Dormant
Bombay Wharf Management Limited	Ordinary	100%	Property management
Bordon Development Holdings Limited	Ordinary	100%	Intermediate holding company
Broadleaf Park LLP	Limited Liability Partnership	100%	Dormant
Bryad Developments Limited	Ordinary	100%	Dormant
Bryant Country Homes Limited	Ordinary	100%	Dormant
Bryant Group Services Limited	Ordinary	100%	Dormant
Bryant Homes Limited	Ordinary	100%	Dormant
Bryant Homes Central Limited	Ordinary	100%	Dormant
Bryant Homes East Midlands Limited	Ordinary	100%	Dormant
Bryant Homes North East Limited	Ordinary	100%	Dormant
Bryant Homes Northern Limited	Ordinary	100%	Dormant
Bryant Homes Scotland Limited	Ordinary	100%	Dormant
Bryant Homes Southern Limited	Ordinary	100%	Dormant
Bryant Homes South West Limited	Ordinary	100%	Dormant
Bryant Properties Ltd	Ordinary	100%	Intermediate holding company
Candlemakers (TW) Limited	Ordinary	100%	Active
George Wimpey Bristol Limited	Ordinary	100%	Dormant
George Wimpey City 2 Limited	Ordinary	100%	Intermediate holding company
George Wimpey City Limited	Ordinary	100%	Dormant
George Wimpey East Anglia Limited	Ordinary	100%	Dormant
George Wimpey East London Limited	Ordinary	100%	Dormant
George Wimpey East Midlands Limited	Ordinary	100%	Dormant
George Wimpey East Scotland Limited	Ordinary	100%	Dormant
George Wimpey Manchester Limited	Ordinary	100%	Dormant
George Wimpey Midland Limited	Ordinary	100%	Dormant
George Wimpey North East Limited	Ordinary	100%	Dormant
George Wimpey North London Limited	Ordinary	100%	Dormant
George Wimpey North Midlands Limited	Ordinary	100%	Dormant
George Wimpey North West Limited	Ordinary	100%	Dormant

# **TAYLOR WIMPEY HOLDINGS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

### **17. Details of investments (continued)**

The following were indirect subsidiary undertakings of the Company at the Statement of Financial Position date: (continued)

<b>Name</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Principal activity</b>
George Wimpey North Yorkshire Limited	Ordinary	100%	Dormant
George Wimpey Midland Limited	Ordinary	100%	Dormant
George Wimpey South Midlands Limited	Ordinary	100%	Dormant
George Wimpey South East Limited	Ordinary	100%	Dormant
George Wimpey South West Limited	Ordinary	100%	Dormant
George Wimpey South Yorkshire Limited	Ordinary	100%	Dormant
George Wimpey Southern Counties Limited	Ordinary	100%	Dormant
George Wimpey West London Limited	Ordinary	100%	Dormant
George Wimpey West Midlands Limited	Ordinary	100%	Dormant
George Wimpey West Scotland Limited	Ordinary	100%	Dormant
George Wimpey West Yorkshire Limited	Ordinary	100%	Dormant
Globe Road Limited	Ordinary	100%	Property development
Grand Union Vision Limited	Ordinary	100%	House building
Ladbroke Grove Apartment Management Company Limited	Ordinary	100%	Property management
Land Trust Developments Limited	Ordinary	100%	Dormant
Haverhill Developments Limited	Ordinary	100%	Property development
Pangbourne Developments Limited	Ordinary	100%	Property development
South Bristol (Ashton Park) Limited	Ordinary	100%	Intermediate holding company
Tawnywood Developments Limited	Ordinary	100%	Dormant
Taylor Wimpey de Espana, S.A.U.	Ordinary	100%	House building
Taylor Wimpey Garage Nominees No. 1 Limited	Ordinary	100%	Dormant
Taylor Wimpey Garage Nominees No. 2 Limited	Ordinary	100%	Dormant
Taylor Wimpey (General Partner) Limited	Ordinary	100%	General partner
Taylor Wimpey (Initial LP) Limited	Ordinary	100%	Limited partner
Taylor Wimpey SH Capital Limited	Ordinary	100%	Lessor
Taylor Wimpey UK Limited	Ordinary	100%	House building
The Garden Village Partnership Limited	Ordinary	100%	Land development
The Junction Flat Management Company	Ordinary	100%	Property management
This is G2 Limited	Ordinary	100%	Dormant
TW NCA Limited	Ordinary	100%	Active

## TAYLOR WIMPEY HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

#### 17. Details of investments (continued)

The following were indirect subsidiary undertakings of the Company at the Statement of Financial Position date: (continued)

Name	Class of shares	Holding	Principal activity
TW Springboard Limited	Ordinary	100%	Property rental
St Dunstons Apartment Management Company Limited	Ordinary	100%	Property management
Whitehill and Bordon Development Phase 1A Limited	Ordinary	100%	Property development
Wilfrid Homes Limited	Ordinary	100%	Dormant

The registered office of all the indirect subsidiaries is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom with the exception of the following:

The registered office of Bryant Homes Scotland Limited, George Wimpey East Scotland Limited, George Wimpey West Scotland Limited, Taylor Wimpey (General Partner) Limited and Taylor Wimpey (Initial LP) Limited is Unit C, Ground Floor, Cirrus, Glasgow Airport Business Park, Marchburn Drive, Abbotsinch, Paisley, PA3 2SJ, United Kingdom.

The registered office of Taylor Wimpey de Espana, S.A.U. is Aragon, 223 223A, 07008, Palma de Mallorca, Balears, Spain

The registered office of Brunswick Dock (Liverpool) Management Company Limited is No 2, The Courtyard, Earl Road, Cheadle Hulme, Cheshire, SK8 6GN, United Kingdom.

The following were indirect joint venture undertakings of the Company at the Statement of Financial Position date:

Name	Class of shares	Holding	Principal activity
Academy Central LLP	Members' capital	62.00%	Property development
Bishop's Stortford North Consortium Limited	Limited by guarantee	33.33%	Bare trustee
Bromley Park (Holdings) Limited	Ordinary	50.00%	Intermediate holding company
Bromley Park Limited	Ordinary	50.00%	Property development
Capital Court Property Management Limited	Ordinary	17.17%	Property development
Chobham Manor LLP	Members' capital	50.00%	Property development
Chobham Manor Property Management Limited	Ordinary	50.00%	Property Management
Countryside 27 Limited	Members' capital	50.00%	Property development
DFE TW Residential Limited	Ordinary	50.00%	Property development



# TAYLOR WIMPEY HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

### 17. Details of investments (continued)

The following were indirect joint venture undertakings of the Company at the Statement of Financial Position date: (continued)

Name	Class of shares	Holding	Principal activity
Emersons Green Urban Village Limited	Ordinary	50%	Property development agent
Falcon Wharf Limited	Ordinary	50%	Property development
Gallagher Bathgate Limited	Ordinary	50%	Residential development
Greenwich Millennium Village Limited	Ordinary	50%	Property development
GMV Management Limited	Limited by guarantee	50%	Property management
GW City Ventures Limited	Ordinary	50%	Dormant
GWNW City Developments Limited	Ordinary	50%	Dormant
GN Tower Limited	Ordinary	50%	Property development
Haydon Development Company Limited	Ordinary	19%	Property development
Newcastle Great Park (Estates) Limited	Ordinary	50%	Property development
North Swindon Development Company Limited	Ordinary	17%	Infrastructure works
Padyear Limited	Ordinary	50%	Dormant
Paycause Limited	Ordinary	33%	Residential development
Phoenix Birmingham Latitude Limited	Ordinary	50%	Property development
Quedgeley Urban Village Limited	Ordinary	25%	Property development agent
Redhill Park Limited	Ordinary	50%	Property development
Strada Developments Limited	Ordinary	50%	Residential development
Triumphdeal Limited	Ordinary	50%	Dormant
TW Cavendish Holdings Limited	Ordinary	50%	Dormant
Weaver Developments (Woodfield Plantation) Limited	Ordinary	50%	Dormant
Whitehill & Bordon Regeneration Limited	Ordinary	50%	Property development
Whitehill & Bordon Development Phase 1a Limited	Ordinary	50%	Property development
Winstanley & York Road Regeneration Limited	Ordinary	50%	Property development

The registered office of all the indirect joint venture undertakings is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom with the exception of the following:

The registered office of Bishop's Stortford North Consortium Limited is St Bride's House, 10 Salisbury Square, London, England, EC4Y 8EH.

The registered office of Bromley Park (Holdings) Limited and Bromley Park Limited is Kent House, 14-17 Market Place, London, W1W 8AJ United Kingdom.

The registered office of Capital Court Property Management Limited is Capital Court, Sowton Industrial Estate, Exeter, EX2 7FW, United Kingdom.

## TAYLOR WIMPEY HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

#### 17. Details of investments (continued)

The registered office of Countryside 27 Limited is Countryside House, The Drive Great Warley, Brentwood, Essex CM13 3AT, United Kingdom.

The registered office of DFE TW Residential Limited is 7 Whiteladies Road, Clifton, Bristol, BS8 1NN, United Kingdom.

The registered office of Emersons Green Urban Village Limited and Quedgeley Urban Village Limited is 135 Aztec West, Almondsbury, Bristol, Avon, BS32 4UB, United Kingdom.

The registered office of Greenwich Millenium Village Limited is Countryside House, The Drive Great Warley, Brentwood, Essex CM13 3AT, United Kingdom.

The registered office of GMV Management Limited is Portsoken House, 155-157 Minories, London, EC3N 1LJ, United Kingdom.

The registered office of Haydon Development Company Limited and North Swindon Development Company Limited is 6 Drakes Meadow, Swindon, Wiltshire, SN3 3LL, United Kingdom.

The registered office of Newcastle Great Park (Estates) Limited is 3rd Floor, Citygate St. James' Boulevard, Newcastle upon Tyne, NE1 4JE, United Kingdom.

The registered office of Padyear Limited is Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ, United Kingdom.

The registered office of Redhill Park Limited is 5 Market Yard Mews, 194-204 Bermondsey Street, London, SE1 3TQ, United Kingdom.

The registered office of Strada Developments Limited is Unit C, Ground Floor, Cirrus, Glasgow Airport Business Park, Marchburn Drive, Abbotsinch, Paisley, PA3 2SJ, Scotland.

#### 18. Controlling parties

The immediate parent undertaking is Taylor Wimpey plc.

The Company's ultimate parent undertaking and controlling party is Taylor Wimpey plc, a company incorporated in the United Kingdom. Taylor Wimpey plc is the parent of the smallest and largest group for which consolidated financial statements are prepared and of which the Company is a member. Taylor Wimpey plc's registered office is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom.

Copies of the Group financial statements, which include the Company and its subsidiaries, are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

#### 19. Post balance sheet events

##### *COVID-19 pandemic*

##### *Closure of sites*

Subsequent to the year-end date the Group was impacted by the Covid-19 pandemic. As announced on 24 March 2020, Taylor Wimpey took the decision to close the Group's show homes, sales centres, and construction sites across the UK to help prevent the spread of COVID-19. The health and safety of the Group's customers, employees and subcontractors is our number one priority and, following Government advice in March, we considered that the closure of these sites was an appropriate response. As at that date corresponding measures were taken to manage the liquidity of the Group and to conserve cash in the best interests of the long term sustainability of the business. In May 2020 we began a phased return to construction based on detailed new site operating protocols developed to comply with strict social distancing requirements. Towards the end of May 2020 we also started a phased reopening of sales centres

## **TAYLOR WIMPEY HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)**

and show homes following updated Government guidance. During the period that sites were closed the Group continued to complete house sales and take new reservations.

#### **19. Post balance sheet events (continued)**

##### *Asset valuation*

We have considered whether any of the assets that the Company holds have been subject to a material diminution in value. We do not believe that the short-term closure of the sites materially changes the value of any of the Group's assets. We consider this assessment to apply to all receivables, and investments in subsidiaries and joint ventures.