
WARDS CONSTRUCTION (INVESTMENTS) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

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WARDS CONSTRUCTION (INVESTMENTS) LIMITED

COMPANY INFORMATION

DIRECTORS

S J Boyes
M S Clare
D F Thomas

COMPANY SECRETARY

Barratt Corporate Secretarial Services Limited

REGISTERED NUMBER

01132078

REGISTERED OFFICE

Barratt House, Cartwright Way, Forest Business Park
Bardon Hill
Coalville
Leicestershire
LE67 1UF

INDEPENDENT AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
UK

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

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WARDS CONSTRUCTION (INVESTMENTS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

The Directors present their report and the financial statements for the year ended 30 June 2014.

This Directors' report has been prepared in accordance with the provisions applicable to small companies applying the small company exemption.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £8,000 (2013 - profit £136,000).

The Directors do not recommend the payment of a dividend (2013: £nil).

GOING CONCERN

In determining the appropriate basis of preparation of the financial statements, the Directors are required to consider whether the Company can continue in operational existence for the foreseeable future.

As at 30 June 2014 the Company had net assets of £1,695,000 including amounts due from Group (Barratt Developments PLC and its subsidiary undertakings, the 'Group') undertakings of £1,378,000. The financial position of the Company is therefore dependent upon the performance of the Group.

The financial performance of the Group is dependent upon the wider economic environment in which the Group operates. Factors that particularly affect the performance of the Group include changes in the macroeconomic environment including buyer confidence, availability of mortgage finance for the Group's customers and interest rates.

The Group has total committed facilities and private placement notes of £848.4m. The maturity of these facilities ranges from June 2016 to July 2021, with £150m of the revolving credit facility maturing in June 2016 and £550m of the revolving credit facility maturing in May 2018. The committed facilities and private placement notes provide appropriate headroom above our current forecast debt requirements.

In addition to these committed borrowing facilities the Group has secured £32.4m of financing from the Government's 'Get Britain Building' and 'Growing Places Fund' schemes. These funds are repayable between 31 December 2014 and 31 March 2018.

Accordingly, after making enquiries, the Directors have formed a judgement, at the time of approving the financial statements, that there is an expectation that the Group, and therefore the Company, has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2014

DIRECTORS

The Directors who served during the year were:

S J Boyes
M S Clare
D F Thomas

DIRECTORS' INDEMNITIES

Following shareholder approval in January 2006, Barratt Developments PLC has provided an indemnity to the Directors and Company Secretary of all Group companies, including Wards Construction (Investments) Limited, against all liability arising in respect of any act or omission in their duties. This is a qualifying indemnity provision for the purposes of Section 234 of the Companies Act 2006.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- that 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 s418(2) of the Companies Act 2006.

AUDITOR

Deloitte LLP have expressed their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be reappointed as auditor in the absence of an Annual General Meeting.

This report was approved by the board on 21 November 2014 and signed on its behalf.



D F Thomas
Director

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2014

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARDS CONSTRUCTION (INVESTMENTS) LIMITED

We have audited the financial statements of Wards Construction (Investments) Limited for the year ended 30 June 2014 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of Directors and auditor

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WARDS CONSTRUCTION (INVESTMENTS) LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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; or
- the Directors were not entitled to take advantage of the small companies exemption from preparing a strategic report, or in preparing the Directors' Report.



James Wright FCA (Senior statutory auditor)

for and on behalf of
Deloitte LLP

Chartered Accountants and Statutory Auditor

London
UK

21 November 2014

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2014**

	Note	2014 £000	2013 £000
Cost of sales		<u>(117)</u>	<u>(13)</u>
GROSS LOSS		(117)	(13)
Other operating income	2	<u>-</u>	<u>80</u>
OPERATING (LOSS)/PROFIT	3	(117)	67
Interest receivable and similar income	4	<u>107</u>	<u>111</u>
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(10)	178
Tax on (loss)/profit on ordinary activities	5	<u>2</u>	<u>(42)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	10	<u>(8)</u>	<u>136</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 8 to 12 form part of these financial statements.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED
REGISTERED NUMBER: 01132078

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	£000	2014 £000	2013 £000
FIXED ASSETS				
Investments	6		228	228
CURRENT ASSETS				
Debtors: amounts falling due after more than one year	7	119		112
Debtors: amounts falling due within one year	7	1,378		1,443
		<u>1,497</u>		<u>1,555</u>
CREDITORS: amounts falling due within one year	8	<u>(30)</u>		<u>(80)</u>
NET CURRENT ASSETS			<u>1,467</u>	<u>1,475</u>
NET ASSETS			<u><u>1,695</u></u>	<u><u>1,703</u></u>
CAPITAL AND RESERVES				
Called up share capital	9		-	-
Profit and loss account	10		<u>1,695</u>	<u>1,703</u>
SHAREHOLDER'S FUNDS	11		<u><u>1,695</u></u>	<u><u>1,703</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 November 2014.



D F Thomas
Director

The notes on pages 8 to 12 form part of these financial statements.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The Company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.2 Going concern

The Directors have formed a judgement, at the time of approving the financial statements, that there is an expectation that the Group, and therefore the Company, has adequate resources to continue in existence for the foreseeable future being at least twelve months from the date of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements as set out in the going concern section of the Directors' Report.

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Current and deferred taxation

UK Corporation tax is provided on taxable profits at the current rate.

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 a non-discounted basis.

1.6 Secured loans

Zero coupon loans granted as part of sales transactions that are secured by way of a legal charge on the respective property are classified as secured loans. Secured loans are valued at discounted cost less provisions for impairment.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

2. OTHER OPERATING INCOME

	2014	2013
	£000	£000
Other operating income	-	80

Other operating income comprises proceeds from the sale of the freehold reversion at Capstone Heights.

3. OPERATING (LOSS)/PROFIT

Fees payable to auditor

Fees payable to the Company's auditor for the audit of the Company's annual accounts were borne by another Group company and amounted to £3,000 in the current year (2013: £3,000).

Fees paid to the Company's auditor for tax compliance were borne by another Group company and amounted to £1,500 in the current year (2013: £1,500).

Directors and employees

No Director received separate emoluments in respect of their services to this Company (2013: £nil).

S J Boyes, M S Clare and D F Thomas are also Directors of the holding company, Barratt Developments PLC. The Directors received total emoluments of £4,460,000 (2013: £4,354,000) during the year, paid by other Group companies. It is not practicable to allocate the emoluments for the Directors between their services as a Director of the Company and other Group companies.

The Company had no employees during the year or prior year.

4. INTEREST RECEIVABLE

	2014	2013
	£000	£000
Interest receivable from group companies	102	103
Other interest receivable	5	8
	107	111

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

5. TAXATION

	2014	2013
	£000	£000
UK corporation tax (credit)/charge on (loss)/profit for the year	(2)	42

Factors affecting tax charge for the year

The tax assessed for the year is the same as *(2013 - the same as)* the standard rate of corporation tax in the UK of 22.5% *(2013 - 23.75%)* as set out below:

Factors that may affect future tax charges

A number of changes to the UK corporation tax system were enacted in the Finance Act 2013 on 17 July 2013, including a reduction in the main rate of corporation tax from 23% to 21% with effect from 1 April 2014 and from 21% to 20% from 1 April 2015. The reductions from 23% were substantively enacted during the period and have therefore been reflected in the accounts for this year. Accordingly, the current year tax charge has been provided for at an effective rate of 22.50% (2013: 23.75%).

There is no unrecognized deferred tax asset or liability in either year.

6. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost or valuation	
At 1 July 2013 and 30 June 2014	228
Net book value	
At 30 June 2014	228
At 30 June 2013	228

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Wards Construction (Industrial) Limited	Ordinary	100 %

Wards Construction (Industrial) Limited is a company registered in England and Wales. The principal activity of Wards Construction (Industrial) Limited is the development of property for resale.

In the Directors' opinion, the aggregate value of the assets of subsidiary undertakings is not less than the value at which the investment is shown in the Balance Sheet.

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

7. DEBTORS

	2014	2013
	£000	£000
Due after more than one year		
Secured loans	119	112
	<u>119</u>	<u>112</u>
Due within one year		
Amounts owed by group undertakings	1,378	1,443
	<u>1,378</u>	<u>1,443</u>

The secured debtors relate to deferred receivables from the sale of homes which are repayable upon the earlier of resale or at ten years from inception. They are secured by way of a second charge over the home and no interest is currently payable on them.

The amounts due from Group undertakings are unsecured and repayable on demand. A market rate of interest has been credited on intercompany loans.

**8. CREDITORS:
Amounts falling due within one year**

	2014	2013
	£000	£000
Corporation tax	-	42
Accruals and deferred income	30	38
	<u>30</u>	<u>80</u>

9. SHARE CAPITAL

	2014	2013
	£	£
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

10. RESERVES

	Profit and loss account £000
At 1 July 2013	1,703
Loss for the financial year	(8)
	<u>1,695</u>
At 30 June 2014	1,695

WARDS CONSTRUCTION (INVESTMENTS) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014**

11. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	2014	2013
	£000	£000
Opening shareholder's funds	1,703	1,567
(Loss)/profit for the financial year	(8)	136
	<hr/>	<hr/>
Closing shareholder's funds	1,695	1,703
	<hr/>	<hr/>

12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption permitted by Financial Reporting Standard No.8 'Related Party Disclosures' and has not disclosed intra-group transactions with other companies that are wholly owned by the Group.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Directors regard Barratt Developments PLC, a company registered in England and Wales, as the ultimate parent company and controlling party. Barratt Developments PLC is the parent of the smallest and largest group of undertakings to consolidate these financial statements at 30 June 2013. The consolidated financial statements of Barratt Developments PLC are available from Barratt House, Cartwright Way, Forest Business Park, Bardon Hill, Coalville, Leicestershire, LE67 1UF.

During the prior year, the immediate parent company changed from Ward Holdings Limited, a company registered in England and Wales to Wilson Bowden Limited, a company registered in England and Wales as part of the Group restructuring.