

FARRODS WATER ENGINEERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



Company number: 01410221

FARRODS WATER ENGINEERS LIMITED

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FARRODS WATER ENGINEERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their annual report and the unaudited financial statements of Farrods Water Engineers Limited ("the Company") for the year ended 31 December 2019.

Principal activities and future developments

The principal activity of the Company was the design and installation of an overseas irrigation project. The Company ceased trading in 1984 and is now only active in relation to resolving historical issues arising from trading activities in past years. The Company did not trade during the year and as a result no profit and loss account or statement of recognised gains and losses are shown. No future trading is expected. The nature of the Company's activities are not expected to change in 2020 or for the foreseeable future.

Directors

The following Directors held office during the year and subsequently:

J J Jordan (Resigned 31 December 2019)

M P Robins

A H Marsden (Appointed 31 December 2019)

No Director was materially interested during the year in any contract which was significant in relation to the business of the Company.

Going concern

The Company has discontinued its trade and is reliant on continued funding from its ultimate parent company Taylor Wimpey plc ("TW plc") to support the recoverability of its intercompany receivables.

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 Taylor Wimpey group ("the Group"). The Group is profitable and has a strong balance sheet.

The Directors of the Company are of the view 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.

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 during their professional duties (including the Directors and officers of this company). These have been granted in accordance with section 234 of the Companies Act 2006. The qualifying third party indemnity was in force during the financial year and also at the date of the financial statements.

Directors' responsibilities statement

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 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

FARRODS WATER ENGINEERS LIMITED

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

Directors' responsibilities statement (continued)

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; 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.

Small company provisions

This report has been prepared in accordance with the special provisions relating to small Companies within section 415a of the Companies Act 2006 and FRS 102.

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



A H Marsden
Director
Registered office:
Gate House
Turnpike Road
High Wycombe
Buckinghamshire
HP12 3NR
United Kingdom

Date 24 September 2020.

FARRODS WATER ENGINEERS LIMITED

Company number: 01410221

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Current assets			
Trade and other receivables	5	<u>993,439</u>	<u>993,439</u>
		993,439	993,439
Creditors - amounts falling due within one year			
Equity loss on joint venture		<u>(2,153,838)</u>	<u>(2,153,838)</u>
Net liabilities		(1,160,399)	(1,160,399)
Equity			
Share capital	6	1,000	1,000
Retained earnings		<u>(1,161,399)</u>	<u>(1,161,399)</u>
Shareholders' deficit		(1,160,399)	(1,160,399)

The Directors are satisfied that for the year ended 31 December 2019 the Company was entitled to exemption under Section 480 of the Companies Act 2006 relating to the audit of financial statements.

The members have not required the Company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements of Farrods Water Engineers Limited (registered number: 01410221) were approved by the Board of Directors and authorised for issue on *24 September* 2020.

They were signed on its behalf by:



A H Marsden
Director

Date: *24 September 2020.*

FARRODS WATER ENGINEERS LIMITED

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

1. Accounting policies

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

General information and basis of preparation

Farrods Water Engineers 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 3 and its principal activities are noted on page 2.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2006 and section 1A of Financial Reporting Standard 102 "FRS 102" 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council.

The financial statements are prepared in sterling, which is the functional currency of the Company and rounded to the nearest pound.

The preparation of financial statements in compliance with FRS 102 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.

As the Company is dormant it qualifies for, and has taken advantage of, the transitional relief in accordance with section 1 A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council, to retain its accounting policies for reported assets, liabilities and equity until there is any change in those balances or the Company undertakes any new transactions.

The Company had no transactions during the year and has made neither a profit nor a loss and therefore no Statement of Comprehensive Income or Statement of Changes in Equity has been prepared.

Going concern

The Company has discontinued its trade and is reliant on continued funding from its ultimate parent company Taylor Wimpey plc ("TW plc") to support the recoverability of its intercompany receivables.

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 Taylor Wimpey group ("the Group"). The Group is profitable and has a strong balance sheet.

The Directors of the Company are of the view 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.

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.

Trade and other receivables

Trade receivables on normal terms do not carry interest and are stated at their nominal value as reduced by appropriate allowances for estimated unrecoverable amounts.

FARRODS WATER ENGINEERS LIMITED

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

1. Accounting policies (continued)

Trade and other payables

Trade payables on normal terms are not interest bearing and are stated at their nominal value.

Group receivables

Amounts receivable from Group undertakings are not interest bearing and are stated at their nominal value.

Group payables

Amounts payable to Group undertakings are not interest bearing and are stated at their nominal value.

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. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The Directors have considered whether there are any such sources of estimation or critical accounting judgements in forming the financial statements and do not determine there to be any for the purposes of disclosure.

4. 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). All Directors' emoluments are borne by a fellow Group company and have not been recharged.

5. Trade and other receivables

	2019	2018
	£	£
Trade debtors	451,015	451,015
Amounts owed by Group undertakings	542,424	542,424
	<u>993,439</u>	<u>993,439</u>

Amounts owed by Group undertakings are unsecured, non-interest bearing and are repayable on demand.

6. Share capital

	2019	2018
	£	£
Authorised:		
100,000 (2018: 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called-up and fully paid:		
1,000 (2018: 1,000) ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

FARRODS WATER ENGINEERS LIMITED

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

7. Controlling parties

The immediate parent undertaking is Wimpey Geotech Limited.

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.

The registered office of Taylor Wimpey plc is Gate House, Turnpike Road, High Wycombe, HP12 3NR.

A copy of the Group financial statements of Taylor Wimpey plc may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.