

Registered no 1764574

# SWP HOLDINGS LIMITED

Directors' Report and Financial Statements

for the year ended 30 June 2007



## **Directors' Report and Financial Statements**

**for the year ended 30 June 2007**

	<b>Page</b>
Directors' report	2
Statement of directors' responsibilities in respect of the Directors' Report and the Financial Statements	3
Independent auditor's report	4-5
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in shareholders' funds	8
Notes to the financial statements	9-11

# **SWP HOLDINGS LIMITED**

## **Directors' Report for the year ended 30 June 2007**

The directors present their report and the audited financial statements for the year ended 30 June 2007

### **Principal activities**

SWP Holdings Limited was formerly the intermediate parent company of a group engaged in the design, manufacture and installation of specialist components for the construction industry. The company is expected to become dormant in due course.

### **Review of business**

The profit and loss for the year is set out on page 6. The Directors do not recommend the payment of a dividend (2006 nil).

### **Directors and their interests**

The directors of the company at 30 June 2007, and those who served during the year are listed below:

J A F Walker  
A G Smith


The directors had no interest in the shares of the company at the beginning or end of the financial year.

Both directors are also directors of the ultimate parent company SWP Group PLC. Their interests in the shares of SWP Group PLC are disclosed in the directors' report of the parent company.

### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **By order of the Board**

  
J A F Walker  
Director

**Registered Office:**  
4<sup>th</sup> Floor Bedford House  
3 Bedford Street  
London WC2E 9HD

**Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The group and parent company financial statements are required by law to give a true and fair view of the state of affairs of the group and the parent company and of the profit or loss 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 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 group and the parent 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 parent company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

## **SWP HOLDINGS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWP HOLDINGS LIMITED**

We have audited the group and parent company financial statements (the "financial statements") of SWP Holdings Limited for the year ended 30<sup>th</sup> June 2007 which comprise the Profit and Loss Account, the Balance Sheet, the reconciliation of movements and shareholders' funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's 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 auditors**

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

# SWP HOLDINGS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWP HOLDINGS LIMITED

*(continued)*

### Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 30<sup>th</sup> June 2007 and of the loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

*KPMG Audit Plc*

**KPMG Audit Plc**  
*Chartered Accountants*  
*Registered Auditor*  
25th April 2008

2 Cornwall Street  
Birmingham  
B3 2DL

## SWP HOLDINGS LIMITED

### Profit and loss account for the year ended 30 June 2007

	Notes	2007 £'000	2006 £'000
Interest payable		(5)	(5)
<b>Loss on ordinary activities before taxation</b>		<b>(5)</b>	<b>(5)</b>
Tax on loss on ordinary activities	3	-	-
<b>Loss for the financial year</b>	7	<b>(5)</b>	<b>(5)</b>

The company has no recognised gains or losses other than those included in the above profit and loss account and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year as stated above, and their historical cost equivalents

Movements in reserves are shown in note 6

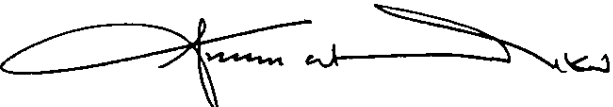
The above results relate to continuing operations

# SWP HOLDINGS LIMITED

## Balance sheet at 30 June 2007

	Notes	2007 £'000	2006 £'000
<b>Creditors:</b> amounts falling due within one year	4	(816)	(811)
<b>Net current liabilities</b>		(816)	(811)
Provision for liabilities and charges	5	(11)	(11)
<b>Net liabilities</b>		(827)	(822)
<b>Capital and reserves</b>			
Called up share capital	6	550	550
Profit and loss account	7	(1,377)	(1,372)
<b>Equity shareholders' funds</b>		(827)	(822)

These financial statements were approved by the board of directors on 25<sup>th</sup> April 2008 and were signed on its behalf by

  
J A F Walker  
Director



## SWP HOLDINGS LIMITED

### Reconciliation of movements in shareholders' funds for the year ended 30 June 2007

	<b>2007</b> <b>£'000</b>	<b>2006</b> <b>£'000</b>
Loss for the financial year	<b>(5)</b>	<b>(5)</b>
	<hr/>	<hr/>
Net reduction to shareholders' funds	<b>(5)</b>	<b>(5)</b>
Opening shareholders' funds	<b>(822)</b>	<b>(817)</b>
	<hr/>	<hr/>
Closing shareholders' funds	<b>(827)</b>	<b>(822)</b>
	<hr/>	<hr/>

**Notes to the financial statements  
for the year ended 30 June 2007**

**1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements, except as noted below

**2. Basis of preparation**

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

The accounts have also been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future since the directors have received a commitment of ongoing financial support for at least the next 12 months from SWP Group Plc, the immediate parent company

Cashflow statement

Under Financial Reporting Standard 1 the company is exempt from the requirements to prepare cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

Related parties

As the company is a wholly owned subsidiary the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties) The consolidated financial statements of SWP Group PLC within which this company is included can be obtained from the address given in note 10

**3. Taxation**

There is no taxation charge in the year due to the availability of taxable losses

# SWP HOLDINGS LIMITED

## 4. Creditors: amounts falling due within one year

	2007 £'000	2006 £'000
Amounts owed to group undertakings	664	664
Other loans	100	100
Other creditors	52	47
	<u>816</u>	<u>811</u>

## 5. Provision for liabilities and charges

	2007 £'000	2006 £'000
Crystallisation of bank guarantee in respect of former associated company	<u>11</u>	<u>11</u>

## 6. Called up share capital

	2007 £'000	2006 £'000
<b>Authorised</b>		
500,000 ordinary shares of £1 each	500	500
400,000 preference shares of £1 each	400	400
50,000 preferred ordinary shares of £1 each	50	50
	<u>950</u>	<u>950</u>
<b>Allotted, called up and fully paid</b>		
500,000 ordinary shares of £1 each	500	500
50,000 preferred ordinary shares of £1 each	50	50
non equity	<u>550</u>	<u>550</u>

The preferred ordinary shares are entitled to a 10% fixed rate dividend and 7.5% of profits for the year exceeding £300,000 (2006 £300,000). The shareholders are entitled to a vote at general meetings and rank in preference to ordinary shares as regards rights to capital on winding up.

The preferred ordinary dividend in respect of the year ended 30 June 2007 has been waived by SWP Group PLC.

The only change in shareholders' funds relates to the retained loss for the year.

## 7. Profit and loss account

	£'000
At beginning of year	(1,372)
Retained loss for the year	(5)
	<u>(1,377)</u>
At the end of year	<u>(1,377)</u>

**8. Reconciliation of movement in shareholders funds**

	2007 £'000	2006 £'000
Loss for the financial year	(5)	(5)
Balance at 30 June 2006	(822)	(817)
Balance at 30 June 2007	<u>(827)</u>	<u>(822)</u>

**9. Transactions with related parties**

On 24 April 2001 SWP Holdings Ltd received a loan of £100,000 from a company in which Mr A G Smith and Mr J A F Walker have a joint shareholding. The full amount of the loan was outstanding at 30 June 2007 (2006 £100,000) together with accrued interest at 2% above Bank of Scotland base rate.

**10. Ultimate parent undertaking**

The parent undertaking of the largest group of undertakings for which group financial statements are drawn up and of which the company is a member is SWP Group PLC which is registered in England and Wales.

The results of the company are included in the group financial statements of SWP Group PLC, the ultimate parent undertaking. The directors consider SWP Group PLC to be the ultimate controlling party.

The financial statements of the ultimate parent company are available from The Secretary, SWP Group PLC, 4<sup>th</sup> Floor, Bedford House, 3 Bedford Street, London WC2E 9HD.

**11. Intra-group guarantees**

The company has not adopted amendments to FRS 26 in relation to financial guarantee contracts which will apply for periods commencing on or after 1 January 2007.

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

The company does not expect the amendments to have any impact on the financial statements for the period commencing 1 April 2007.