COMPANY REGISTRATION NO: 2516305

HALEWOOD INTERNATIONAL PROPERTIES LIMITED

REPORT AND FINANCIAL STATEMENTS

For the 52 week period ended 27 June 2009

Report and financial statements 2009
Contents

Company Information

Directors	J E Halewood	
	S J Oldroyd	(Appointed 29 April 2008)
	A D Smallman	(Appointed 27 May 2008)

Registered office

The Sovereign Distillery
Huyton Business Park
Wilson Road
Huyton
Liverpool
L36 6AD

Registered number 2516305

Auditors

Deloitte LLP
Chartered Accountants and Registered Auditors
Liverpool
United Kingdom

Bankers

Lloyds TSB Bank plc
94 Fishergate
Preston
Lancashire
PR1 2JB

Report of the Directors

The directors present their report and the audited financial statements for the 52 week period ended 27 June 2009.

Principal activities

The principal activity of the company is property management.

Business review and future developments

Halewood International Properties Limited is a wholly owned subsidiary of Halewood International Holdings (UK) Limited, a company incorporated in England. The ultimate parent undertaking is Halewood International Holdings PLC. The Group monitor performance as a whole, therefore a complete review of the business and future prospects of the Group is included in the Directors' Report of the ultimate parent company accounts.

The directors are satisfied with the performance of the company during the period. Turnover was £84,651 which was an increase of £77,684 on the previous period (2008: £6,967). Operating profit was £52,151 which was an increase of £56,006 on the previous period (2008: loss £3,855).

Future outlook

The directors have considered the going concern assumption and continue to adopt the going concern basis in preparing the annual report and financial statements, as documented in note 1 to the accounts.

Principal risks and uncertainties

The company's operations expose it to a variety of financial risks that include the effects of credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

Credit risk
The company has implemented policies that require appropriate credit checks on potential customers. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed regularly by the board.

Liquidity risk
The company actively maintains a mixture of long-term and short-term debt finance that is designed to ensure the company has sufficient available funds for operations.

Interest rate cash flow risk
The company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances.

Charitable and political contributions

No charitable donations were made during the period (2008: £nil).
No political donations were made during the period (2008: £nil).

Report of the Directors (continued)

Results and dividends

The profit for the period after taxation amounted to £6,052 (2008: loss £7,629). The directors do not propose the payment of a dividend (2008: £nil).

Directors

The present directors of the company who served throughout the period together with movements during the period are set out on page 1.

Small company

The directors' report has been prepared in accordance with the special provisions relating to small companies under Section 417(1) of the Companies Act 2006.

Statement of directors' responsibilities

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). 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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.

Auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approval

The report of the directors was approved by the Board on 2/12/2009 and signed on its behalf by:

S J Oldroyd
Director

Independent Auditors' Report to the Members of Halewood International Properties Limited

We have audited the financial statements of Halewood International Properties Limited for the 52 week period ended 27 June 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 17. 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 sections 495 and 496 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 auditors' 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

As explained more fully in the Statement of Directors' Responsibilities, 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 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 (APB'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.

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 27 June 2009 and of its profit for the 52 week period 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.

Independent Auditors' Report to the Members of Halewood International Properties Limited (continued)

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.

Damian Sanders

Damian Sanders
(Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Liverpool
United Kingdom
Date 2 December 2009

Profit and Loss Account

For the 52 weeks ended 27 June 2009

	Note	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
Turnover	2	84,651	6,967
Gross profit		84,651	6,967
Administration expenses		(32,500)	(10,822)
Operating profit / (loss)	3	52,151	(3,855)
Interest payable	5	(34,987)	(6,164)
Interest receivable	6	-	60
Profit / (loss) on ordinary activities before taxation		17,164	(9,959)
Tax on profit / (loss) on ordinary activities	7	(11,112)	2,330
Profit / (loss) on ordinary activities after taxation	13	6,052	(7,629)

There were no recognised gains or losses other than that shown above. Accordingly, no separate statement of total recognised gains and losses is given.

The company's activities derive from continuing operations.

Balance Sheet
At 27 June 2009

	Note	27 June 2009 £	28 June 2008 £
Fixed assets			
Tangible assets	8	1,218,151	1,233,683
Current assets			
Debtors	9	29,126	27,299
Cash		48,518	38,410
		77,644	65,709
Creditors: amounts falling due within one year	10	(36,572)	(1,248,271)
Net current assets / (liabilities)		41,072	(1,182,562)
Total assets less current liabilities		1,259,223	51,121
Creditors : amounts falling due after more than one year	11	(1,260,798)	(58,748)
Net liabilities		(1,575)	(7,627)
Capital and reserves			
Called up share capital	12	2	2
Profit and loss account	13	(1,577)	(7,629)
Shareholders' deficit	14	(1,575)	(7,627)

The financial statements of Halewood International Properties Limited. registered number 2516305, were approved by the Board on 2/12/2009 and signed on its behalf by:

S J Oldroyd
Director

Notes to the Financial Statements

For the 52 weeks ended 27 June 2009

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the period and the preceding period.

Basis of accounting
The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards. The company is exempt from publishing a cash flow statement because it is a wholly owned subsidiary undertaking of Halewood International Holdings PLC, which publishes a consolidated cash flow statement.

Going concern
The company meets its day-to-day working capital requirements through existing cash balances and loans from its parent undertaking and fellow subsidiary companies. The company's forecasts and projections, taking account of possible changes in trading performance, show that the company is expected to be able to operate within the level of funding available.

The company has funded its working capital using a mortgage secured on the long leasehold property.

After making enquiries, the directors have a reasonable expectation that the company has access to adequate resources and believe that the company is well placed to manage its business risks successfully, despite the current uncertain economic outlook, any impact on consumer spending, and is expected to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

The directors are in receipt of a letter of support from its ultimate parent company Halewood International Holdings PLC. This letter of support confirms that the loans from group undertakings, and inter company trade balances will not need to be repaid for a minimum of 12 months from the date the accounts are signed.

Taxation
Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events 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. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, 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 not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

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

Notes to the Financial Statements (continued)

For the 52 weeks ended 27 June 2009

1. ACCOUNTING POLICIES (CONTINUED)

Tangible fixed assets and depreciation
Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write down would be charged to operating profit unless it was a reversal of a past revaluation surplus in which case it would be taken to the statement of total recognised gains and losses. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

Buildings	50 years

Turnover
Turnover is predominantly rental income invoiced in the period and stated net of VAT.

2. TURNOVER

All turnover arises in the United Kingdom and is derived from the principal activity. Turnover by origin and destination are not materially different.

3. OPERATING PROFIT / (LOSS)

Operating profit / (loss) is stated after charging:

	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
Depreciation of tangible fixed assets	24,863	2,060

The analysis of auditors' remuneration is as follows:

	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
Fees payable to the company's auditors for the audit of the company's annual accounts.	1,000	4,500
Total audit fees	1,000	4,500
Tax Services	-	2,000
Total non-audit fees	-	2,000

4. EMPLOYEES AND DIRECTORS' EMOLUMENTS

No staff costs or directors' remuneration were paid by the company during the period (2008: £nil). There were no staff employed by the company during the period (2008: nil).

Notes to the Financial Statements (continued)

For the 52 weeks ended 27 June 2009

5. INTEREST PAYABLE

	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
Bank loan	34,987	6,164

6. INTEREST RECEIVABLE

	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
Interest income	-	60

7. TAXATION

	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
United Kingdom Corporation Tax		
Current tax on income for the period	1,969	-
Group relief	9,143	(2,330)
Total tax charge / (credit) on profit / (loss) on ordinary activities	11,112	(2,330)

Current tax reconciliation	52 weeks ended 27 June 2009 £	52 weeks ended 28 June 2008 £
Profit / (loss) on ordinary activities before taxation	17,164	(9,959)
Tax on profit / (loss) on ordinary activities at standard UK corporation tax rate of 28% (2008: 29.5%)	4,806	(2,938)
Effects of:		
- expenses not deductible for tax	6,962	577
- difference in UK corporation tax rates	(656)	31
Current tax charge / (credit) for the period	11,112	(2,330)

Notes to the Financial Statements (continued)
At 27 June 2009

8. TANGIBLE FIXED ASSETS

	Land & Buildings £
Cost	
At 29 June 2008	1,235,743
Additions	9,331
At 27 June 2009	1,245,074
Depreciation	
At 29 June 2008	2,060
Charge for the period	24,863
At 27 June 2009	26,923
Net book value	
At 27 June 2009	1,218,151
At 28 June 2008	1,233,683

9. DEBTORS

	27 June 2009 £	28 June 2008 £
Amounts owed by group undertakings	29,126	24,969
Amounts owed by parent undertakings	-	2,330
	29,126	27,299

Notes to the Financial Statements (continued)

At 27 June 2009

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	27 June 2009 £	28 June 2008 £
Bank loan	-	1,200,000
Accruals and deferred income	3,766	6,500
Corporation tax	1,969	-
Amounts due to fellow subsidiary undertakings	27,658	37,036
Other taxation and social security	3,179	4,735
	36,572	1,248,271

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	27 June 2009 £	28 June 2008 £
Amounts due to parent undertaking	260,798	58,748
Bank loan	1,000,000	-
	1,260,798	58,748

Repayable

1-2 years	-	-
2-5 years	1,000,000	1,000,000
	1,000,000	1,000,000

In respect of amounts due to parent undertakings, confirmation has been obtained that the balances will not be called for repayment in the foreseeable future. Interest is paid monthly at a commercial rate above the Bank of England base rate.

In May 2008, a £1,200,000 mortgage was taken out which is repayable in full in five years time. Interest is charged over 60 months at a commercial rate of interest above the Lloyds Bank Plc base rate. The balance as at 27 June 2009 was £1,000,000.

Notes to the Financial Statements (continued)

At 27 June 2009

12. SHARE CAPITAL

	27 June 2009	28 June 2008
	£	£
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2

13. PROFIT & LOSS ACCOUNT

	£
At 29 June 2008	(7,629)
Profit for the period	6,052
At 27 June 2009	1,577

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS / (DEFICIT)

	2009	2008
	£	£
Profit / (loss) for the period	6,052	(7,629)
Opening shareholders' (deficit) / funds	(7,627)	2
Closing shareholders' funds / (deficit)	(1,575)	(7,627)

15. CONTINGENT LIABILITY

The company is party to group borrowings facilities under which the various UK companies in the group have cross-guaranteed the borrowings due to Lloyds TSB Bank plc. At 27 June 2009 the borrowings of the group amounted to £15,019,000 (2008: £22,462,000).

16. RELATED PARTY TRANSACTIONS

The company has undertaken transactions with its fellow companies within the Halewood International Holdings Group. Under the provisions of Financial Reporting Standard No.8 "Related Party Disclosures" the company is exempt from disclosing the details of these transactions.

17. ULTIMATE PARENT AND CONTROLLING PARTY

The parent undertaking of the smallest group, which includes the company, is Halewood International Holdings (UK) Limited. The ultimate parent company is Halewood International Holdings PLC, a company registered in England. Group accounts for Halewood International Holdings PLC are available to the public on payment of the appropriate fee, from Companies registration Office, Crown Way, Maindy, Cardiff, CF4 3UZ.

The ultimate controlling party of the company is J E Halewood, a director of the company, owing to his overall control of the parent company.