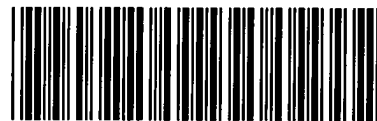


GALLAGHER BATHGATE LIMITED

Company Number 03850431

**ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

WEDNESDAY



L7F90E2B

LD4

26/09/2018

#239

COMPANIES HOUSE

GALLAGHER BATHGATE LIMITED

CONTENTS

Directors' Report	2
Independent Auditor's Report	5
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

GALLAGHER BATHGATE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The Directors present their Annual Report and the audited financial statements of the Company for the year ended 31 December 2017.

Principal activities and future developments

Gallagher Bathgate Limited is a joint venture between Taylor Wimpey UK Limited and Ashflame Properties Limited. The Company has operated a licence fee agreement over the residential development of a site situated in Bathgate.

The original housing site has now been legally completed. Current and future activities are in respect of meeting obligations arising from the project, although none are anticipated other than audit fees. The Directors are not aware, at the date of this report, of any likely development activities starting in the next 12 months. The Directors aim to promote the remaining land held from employment to residential land but this is expected to be some years away.

Directors

The Directors who held office during the year and to date are given below. None of the Directors had a beneficial interest in the shares of the Company.

A C Gallagher
G H Gosling
W R Burns
G Smith

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

Going concern

On the basis of their assessment of the Company's financial position, and of responses to enquiries made, the Directors are of the view that the Company will be able to continue in operational existence for a period of 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. As at 31 December 2017, the company is in a net asset position and net current asset position.

Qualifying third party indemnities

Taylor Wimpey plc has executed a deed poll of indemnity in favour of, among others, the Directors and officers appointed to act on its behalf pursuant to a contractual right of Taylor Wimpey plc or any of its Group undertakings to nominate or appoint one or more of the officers of an associated company or a company in which Taylor Wimpey plc holds, directly or indirectly, a minority shareholding. This indemnity covers the Taylor Wimpey nominated Directors and officers of this company, and such beneficiaries are indemnified against certain financial exposure that they may incur during the discharge of their professional duties as Director or officer of the Company. The indemnity is granted in accordance with section 234 of the Companies Act 2006 and Taylor Wimpey plc's articles of association.

The qualifying third party indemnity was in force during the financial year and also at the date of the financial statements.

GALLAGHER BATHGATE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

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".

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; 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.

Disclosure of information to Auditor

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 auditor is unaware; and
- the Director has taken all the steps that they ought to have taken as a Director in order to make themselves 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.

Re-appointment of Auditor

Deloitte LLP has indicated its willingness to continue in office 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.

GALLAGHER BATHGATE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

Small Company provisions

This report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies.

This Directors' report was approved by the Board of Directors on 30/8/18 and is signed on its behalf by:



G Smith
Director
15 Hockley Court
Hockley Heath
Solihull
West Midlands
B94 6NW
United Kingdom

Date 30/8/ 2018

GALLAGHER BATHGATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GALLAGHER BATHGATE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Gallagher Bathgate Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland"; 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 12.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland"; (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 'FRCs') 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.

GALLAGHER BATHGATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GALLAGHER BATHGATE 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

GALLAGHER BATHGATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GALLAGHER BATHGATE LIMITED (continued)

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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 Directors' Report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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.

Edward Hanson

Edward Hanson ACA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

Date: *5 September 2018*

GALLAGHER BATHGATE LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Administrative expenses		(17,678)	(8,494)
Operating loss		(17,678)	(8,494)
Finance income	5	180	291
Loss before tax	4	(17,498)	(8,203)
Tax	6	1,713	1
Loss for the financial year		(15,785)	(8,202)
Other comprehensive income		-	-
Total comprehensive expense for the year		(15,785)	(8,202)

All results are attributable to one continuing activity, being the development and sale of houses and all trading was in the United Kingdom.

GALLAGHER BATHGATE LIMITED
Company number: 03850431

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017


		2017	2016
		£	£
	Note		
Current assets			
Inventories	7	15,950	15,950
Trade and other receivables	8	11,369,587	11,367,889
Cash at bank and in hand		64,093	73,931
		<u>11,449,630</u>	<u>11,457,770</u>
Current liabilities			
Trade and other payables	9	(1,925,740)	(1,918,095)
Net assets		<u>9,523,890</u>	<u>9,539,675</u>
Capital and Reserves			
Called-up share capital	10	2	2
Retained earnings		9,523,888	9,539,673
Shareholders' funds		<u>9,523,890</u>	<u>9,539,675</u>

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts have been prepared in accordance with the provisions of Section 1A of FRS 102.

The financial statements of Gallagher Bathgate Limited, company number 03850431, were approved by the Board of Directors and authorised for issue on 30/8/2018

They were signed on its behalf by:



G Smith
 Director

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

	Called-up share capital	Retained earnings	Total Shareholders' funds
	£	£	£
Balance as at 1 January 2017	2	9,539,673	9,539,675
Loss for the year	-	(15,785)	(15,785)
Other comprehensive income for the year	-	-	-
Total comprehensive expense for the year	-	(15,785)	(15,785)
Dividends paid	-	-	-
Total contributions by/ (distributions to) owners	-	-	-
Balance at 31 December 2017	2	9,523,888	9,523,890
2016			
Balance as at 1 January 2016	2	9,547,875	9,547,877
Loss for the year	-	(8,202)	(8,202)
Other comprehensive income for the year	-	-	-
Total comprehensive expense for the year	-	(8,202)	(8,202)
Dividends paid	-	-	-
Total contributions by/ (distributions to) owners	-	-	-
Balance at 31 December 2016	2	9,539,673	9,539,675

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. Accounting policies

The following accounting policies have been used consistently in the current and prior year unless otherwise stated in dealing with items which are considered material.

General information and basis of preparation

Gallagher Bathgate 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 4 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 and in accordance with 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.

Going Concern

On the basis of their assessment of the Company's financial position, and of responses to enquiries made, the Directors are of the view that the Company will be able to continue in operational existence for a period of 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. As at 31 December 2017, the company is in a net asset position and net current asset position.

Finance income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable

Financial instruments

Financial assets and liabilities are recognised on the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Trade 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. Impairment is assessed annually based on recoverable amount and, if identified, is recorded in the period to which it relates.

Trade receivables on extended terms are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate.

Trade payables

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

Group payables

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

Group receivables

Group receivables on normal terms are not interest bearing and are stated at their nominal value.

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

1. Accounting policies (continued)

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 reporting period. Taxable profit differs from profit before taxation 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 tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax

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 Company'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.

Unrelieved tax losses and other deferred tax assets are 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.

When the amount that can be deducted for tax for an asset that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

Land is recognised in inventory when the significant risks and rewards of ownership have been transferred to the Company. An impairment review is completed annually and any impairment provisions are booked immediately through the statement of comprehensive income.

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

2. Key sources of estimation uncertainty and accounting judgements

Preparation of the financial statements requires management to make significant judgements and estimates. 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.

3. Employees and Directors costs

The Company had no employees (2016: none).

The Directors are paid by related companies and received no remuneration in respect of their services to the Company (2016: £nil).

4. Loss before tax

	2017	2016
	£	£
Loss before tax is after charging		
Auditor's remuneration:		
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	6,400	6,400

Fees paid to the Company's auditor for other non-audit services were £nil in both years.

5. Finance income

	2017	2016
	£	£
Bank Interest received	180	291

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

6. Tax

	2017 £	2016 £
Current Tax Credit		
Prior year adjustment	1,713	1
UK corporation tax	-	-
Total tax credit on loss	1,713	1

The standard rate of current tax for the year is 19.25% (2016: 20%)

The tax credit for the year can be reconciled to (loss)/profit before tax as follows:

	2017 £	2016 £
Loss before tax	(17,498)	(8,203)
Tax at the UK corporation tax rate of 19.25% (2016: 20%)	3,368	1,640
Unrecognised losses c/fwd	(3,368)	(1,640)
Prior year adjustment	1,713	1
Tax credit for the year	1,713	1

The Company has an unrecognised deferred tax asset of losses carried forward of £25,701 (2016: £8,203). No deferred tax asset has been recognised due to the lack of certainty about future taxable profit.

Finance Act No2 2015 included provisions to reduce the UK corporation tax rate to 19% with effect from 1 April 2017. Finance act 2016 introduced further 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.

7. Inventories

	2017 £	2016 £
Land	15,950	15,950
	15,950	15,950

This land is currently allocated as Employment land. The Directors' are hoping to promote this to residential land but this is likely to take several years to achieve.

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

8. Trade and other receivables: amounts falling due within one year

	2017 £	2016 £
Other Receivables	95	110
Amounts due from related parties (note 11)	11,367,779	11,367,779
Corporation Tax	1,713	-
	<u>11,369,587</u>	<u>11,367,889</u>

Amounts due from related parties are unsecured, repayable on demand and are non-interest bearing.

9. Trade and other payables: amounts falling due within one year

	2017 £	2016 £
Trade payables	14,917	15,322
Amounts due to related parties (note 11)	1,910,823	1,902,773
Corporation tax	-	-
	<u>1,925,740</u>	<u>1,918,095</u>

Amounts payable to related parties are unsecured, repayable on demand and are non-interest bearing.

10. Share capital

	2017 £	2016 £
Authorised:		
5,000 (2016: 5,000) 'A' ordinary shares of £1 each	5,000	5,000
5,000 (2016: 5,000) 'B' ordinary shares of £1 each	5,000	5,000
	<u>10,000</u>	<u>10,000</u>
Issued and fully paid:		
1 (2016: 1) 'A' ordinary shares of £1	1	1
1 (2016: 1) 'B' ordinary shares of £1	1	1
	<u>2</u>	<u>2</u>

As at 31 December 2017, the ordinary 'A' shares of the Company are owned by Taylor Wimpey UK Limited and the ordinary 'B' shares of the Company are owned by Ashflame Properties Limited. Both of the above classes of share have equal voting rights.

11. Related party transactions

Amounts due to and due from related parties are repayable on demand and are non-interest bearing. Included within trade receivables is a balance due from Taylor Wimpey UK Limited of £11,367,779 (2016: £11,367,779,) in relation to licence income net of infrastructure costs.

Included within trade and other payables is a balance due to Taylor Wimpey UK Limited of £1,910,823 (2016: £1,902,773,). The increase in this balance relates to payments made by Taylor Wimpey UK Limited on behalf of Gallagher Bathgate Limited.

GALLAGHER BATHGATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017 (continued)

12. Controlling parties

The Company is a joint venture between Taylor Wimpey UK Limited and Ashflame Properties Limited. Both companies are incorporated in England and Wales.

The ultimate controlling party of Taylor Wimpey UK Limited is Taylor Wimpey plc. The ultimate controlling party of Ashflame Properties Limited is Mr A C Gallagher by virtue of his ownership of the majority of the issued share capital. A copy of the financial statements of Taylor Wimpey plc and Ashflame Properties Limited may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

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

The registered office of Ashflame Properties Limited is 15 Hockley Court, Stratford Road, Hockley Heath, Solihull, West Midlands, B94 6NW, United Kingdom.