

**WAINHOMES HOLDINGS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**31 DECEMBER 2008**



## **WAINHOMES HOLDINGS LIMITED**

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## **WAINHOMES HOLDINGS LIMITED**

### **DIRECTORS' REPORT**

The directors present their report and unaudited financial statements of the Company for the year ended 31 December 2008.

#### **Business review and principal activities**

The Company's principal activity is to act as an intermediate holding company. The directors anticipate the Company will continue this activity for the foreseeable future.

The results for the year show a loss before tax of £528,000 (2007: nil). Any expenses of the Company have been met by a fellow subsidiary of the Taylor Wimpey plc group.

#### **Principal risks and uncertainties**

The Company is an intermediate holding company, however, it is reliant on continued funding from its ultimate holding company Taylor Wimpey plc and is dependent on Taylor Wimpey plc to support the recoverability of its investments and intercompany receivables.

The directors have received assurance from Taylor Wimpey plc that, in so far that it is able under its financial arrangements, it will continue to provide financial support to the Company in respect of the recoverability of its investments and intercompany receivables and to ensure that the Company is able to fulfil its financial obligations when they fall due, for a period not less than 12 months from the date of approval of these accounts.

Taylor Wimpey plc is dependent upon debt financing. The external finance available to Taylor Wimpey plc matures on 3 July 2012 and is subject to certain financial covenants. The directors of Taylor Wimpey plc are of the view that the existing facilities are considered to be adequate in terms of both facility amounts and covenant headroom to enable the Group to operate within its terms for at least the next 12 months from the date of approval of these accounts. The directors of Taylor Wimpey plc have confirmed to the Company's directors that this is still the case. Based on enquiries, including inquiries of the directors of Taylor Wimpey plc, the Company's directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

#### **Directors**

The directors who held office during the year and to date are given below.

P R Andrew (appointed 22/12/2008)

C Carney (appointed 02/05/2008)

P T Johnson (resigned 16/10/2008)

J J Jordan (appointed 16/10/2008)

J C Murrin (resigned 02/05/2008)

R A Peacock (appointed 02/05/2008) (resigned 22/12/2008)

#### **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 s234ZA of the Companies Act 1985.

**WAINHOMES HOLDINGS LIMITED**

**DIRECTOR'S REPORT (continued)**

**Re-appointment of Auditors**

On 1 December 2008 Deloitte & Touche LLP changed its name to Deloitte LLP. Accordingly Deloitte LLP have expressed their willingness to be reappointed for another term. Appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an AGM.

**Small company provisions**

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board of Directors on:

By order of the board



C R Clapham  
Company Secretary  
80 New Bond Street  
London  
W1S 1SB

29th October 2009

## **WAINHOMES HOLDINGS LIMITED**

### **STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The directors are responsible for preparing 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). The financial statements are required by law to 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 in which case there should be supporting assumptions or qualifications as necessary.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

## **WAINHOMES HOLDINGS LIMITED**

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

We have audited the company financial statements of Wainhomes Holdings Limited for the year ended 31 December 2008 which comprise the Profit and Loss Account, the Company Balance Sheet and the related notes 1 to 14. 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 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**

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

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.

As the company was exempt from audit under s249A Companies Act 1985 in the prior year we have not audited the corresponding amounts for that year.

**WAINHOMES HOLDINGS LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAINHOMES HOLDINGS LIMITED (continued)**

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of the Company's 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.



**Deloitte LLP**

Chartered Accountants and Registered Auditors  
Birmingham, UK

Date: 29 October 2009

**WAINHOMES HOLDINGS LIMITED**

**PROFIT AND LOSS ACCOUNT**

**For the year ended 31 December 2008**

	<b>Notes</b>	<b>2008</b> <b>£'000</b>	<b>2007</b> <b>£'000</b> <b>(unaudited)</b>
Operating loss	4	(528)	-
<b>Loss on ordinary activities before taxation</b>		<hr/> (528) <hr/>	<hr/> - <hr/>
Tax on loss on ordinary activities	5	-	-
<b>Loss attributable to shareholders</b>		<hr/> (528) <hr/>	<hr/> - <hr/>

**Continuing operations**

All the Company's activities in the above financial years derived from continuing operations.

**Total recognised gains and losses**

The Company has no recognised gains or losses other than the profit and loss for the above financial year.



**WAINHOMES HOLDINGS LIMITED****BALANCE SHEET****As at 31 December 2008**

	Notes	2008 £'000	2007 £'000 (unaudited)
<b>Fixed assets</b>			
Investments in subsidiary undertakings	6	3,638	4,166
<b>Current assets</b>			
Debtors	7	12,976	12,976
<b>Creditors: amounts falling due within one year</b>			
Amounts owed to group undertakings	8	(12,976)	(12,976)
<b>Net current assets</b>		-	-
<b>Total assets less current liabilities</b>		<u>3,638</u>	<u>4,166</u>
<b>Capital and reserves</b>			
Called up share capital	9	13,380	13,380
Share premium account	10	51,875	51,875
Profit and loss account	11	(61,617)	(61,089)
<b>Shareholder's funds</b>	12	<u>3,638</u>	<u>4,166</u>

The financial statements of Wainhomes Holdings Limited, registered number 4186784, were approved by the board of directors and authorised for issue on: *29th October 2009*

They were signed on its behalf by:



C Carney  
Director

**WAINHOMES HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2008**

**1. Accounting policies**

The following accounting policies have been used consistently unless otherwise stated in dealing with the items considered material.

**Basis of accounting**

The financial statements are prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards.

**Basis of preparation**

The financial statements contain information about Wainhomes Holdings Limited as an individual company and do not contain consolidated financial information as a parent of a group. The Company is exempt under section 228 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent company, Taylor Wimpey plc. The Company had exemption from audit for the year ended 2007 and therefore the prior year accounts were not audited.

The Company is an intermediate holding company, however, it is reliant on continued funding from Taylor Wimpey plc and is dependent on Taylor Wimpey plc to support the recoverability of its investments and intercompany receivables.

The directors have received assurance from Taylor Wimpey plc that, in so far that it is able under its financial arrangements, it will continue to provide financial support to the Company in respect of the recoverability of its investments and intercompany receivables and to ensure that the Company is able to fulfil its financial obligations when they fall due, for a period not less than 12 months from the date of approval of these accounts.

Taylor Wimpey plc is dependent upon debt financing. The external finance available to Taylor Wimpey plc matures on 3 July 2012 and is subject to certain financial covenants. The directors of Taylor Wimpey plc are of the view that the existing facilities are considered to be adequate in terms of both facility amounts and covenant headroom to enable the Group to operate within its terms for at least the next 12 months from the date of approval of these accounts. The directors of Taylor Wimpey plc have confirmed to the Company's directors that this is still the case. Based on enquiries, including inquiries of the directors of Taylor Wimpey plc, the Company's directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.

**Cash flow statement**

The Company is part of the Taylor Wimpey plc group and is included in the consolidated financial statements of Taylor Wimpey plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996).

**Current taxation**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax 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 balance sheet date.

**WAINHOMES HOLDINGS LIMITED****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2008****Accounting policies (continued)****Deferred taxation**

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Investment in subsidiary undertakings**

Investments are included in the company's balance sheet at cost less any provision for permanent diminution in value.

**2. Employee numbers**

The Company did not employ any persons during the year.

**3. Directors' remuneration and benefits**

Directors' remuneration and benefits paid by the Company in the year amounted to £nil (2007: £nil). All directors' emoluments are borne by a fellow group company Taylor Wimpey UK Limited.

**4. Operating loss**

	2008	2007
	£'000	£'000
		(unaudited)
Write down of investment in subsidiary	(528)	-

The write down relates to the Company's investment in its subsidiary Harrock Limited.

**5. Tax on loss on ordinary activities**

	2008	2007
	£'000	£'000
		(unaudited)
Corporation tax	-	-
The credit for the year can be reconciled to the loss before tax as follows:		
Loss before tax	(528)	-
Tax credit at UK corporation tax rate of 28.5%	150	-
Non deductible write down of investments	(150)	-
Tax credit for the year	-	-

No provision has been made for deferred tax.

**WAINHOMES HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2008**

**6. Investments in subsidiary undertakings**

Shares in subsidiary undertaking	<b>2008</b>
	<b>£'000</b>
<b>Cost</b>	
At 1 January (unaudited) and 31 December	65,255
<b>Provisions for impairment</b>	
At 1 January (unaudited)	61,089
Impairment during the year	528
At 31 December	61,617
<b>Net book value</b>	
At 31 December	3,638
At 1 January (unaudited)	4,166

The Company holds 100% of the ordinary share capital of Harrock Limited, a company registered in England and Wales, whose principal activity is the administration of loan note payments.

During the year a review of the Company's investment in Harrock Limited was found to be impaired by £528,000 as has been written down accordingly. The directors are of the opinion that the value of the Company's interest in the subsidiary is not less than the amount stated.

**7. Debtors**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
		<b>(unaudited)</b>
Amounts owed by group undertakings	12,976	12,976

Amounts due from group undertakings are unsecured, non-interest bearing and are repayable on demand.

**8. Creditors: amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
		<b>(unaudited)</b>
Amounts owed to group undertakings	12,976	12,976

Amounts due to group undertakings are unsecured, non-interest bearing and are repayable on demand.

**WAINHOMES HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2008**

**9. Called up share capital**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
		<b>(unaudited)</b>
Authorised:		
9,500,000 ordinary 'A' shares of £1 each	9,500	9,500
3,880,281 ordinary 'B' shares of £1 each	3,880	3,880
	<u>13,380</u>	<u>13,380</u>
Allotted, called up and fully paid:		
9,500,000 ordinary 'A' shares of £1 each	9,500	9,500
3,880,281 ordinary 'B' shares of £1 each	3,880	3,880
	<u>13,380</u>	<u>13,380</u>

Both classes of shares rank equally in all respects. To acquire the whole of the issued share capital of Harrock Limited in 2001, 13,380,279 shares were issued of which 3,880,281 were ordinary B shares.

**10. Share premium account**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
		<b>(unaudited)</b>
Share premium	<u>51,875</u>	<u>51,875</u>

**11. Profit and loss account**

	<b>2008</b>	<b>2007</b>
	<b>£'000</b>	<b>£'000</b>
		<b>(unaudited)</b>
At 1 January	(61,089)	(61,089)
Loss for the year	<u>(528)</u>	<u>-</u>
At 31 December	<u>(61,617)</u>	<u>(61,089)</u>

**WAINHOMES HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2008**

**12. Movement in shareholder's funds**

	Share capital	Share premium	Profit & loss account	Total
	£	£	£	£
At 1 January 2008 (unaudited)	13,380	51,875	(61,089)	4,166
Impairment of investment	-	-	(528)	(528)
At 31 December 2008	13,380	51,875	(61,617)	3,638

**13. Related party transactions**

No director had an interest in any contract or arrangements of a material nature with the company, its parent or its ultimate parent company during the year under review.

As all of the company's voting rights are controlled within the Group headed by Taylor Wimpey plc, the company has taken advantage of the exemption contained within Financial Reporting Standard 8 and has therefore not disclosed transactions or balances with entities which form part of the Group.

**14. Parent company**

The Company is a subsidiary of Wilson Connolly Limited, a company registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is Taylor Wimpey plc, the Company's ultimate parent company and controlling party and a company registered in England and Wales. A copy of the group financial statements may be obtained from the Group Company Secretary, Taylor Wimpey plc, 80 New Bond Street, London W1S 1SB.