

REGISTERED NUMBER: 04466955 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2013
FOR
CHIGWELL 02 LIMITED**

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for the year ended 30 June 2013**

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CHIGWELL 02 LIMITED

COMPANY INFORMATION
for the year ended 30 June 2013

DIRECTORS: A C Gallagher
G H Gosling

SECRETARY: S A Burnett

REGISTERED OFFICE: 15 Hockley Court
Stratford Road
Hockley Heath
Solihull
West Midlands
B94 6NW

REGISTERED NUMBER: 04466955 (England and Wales)

**INDEPENDENT
AUDITORS:** PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Donington Court
Pegasus Business Park
East Midlands
DE74 2UZ

**REPORT OF THE DIRECTORS
for the year ended 30 June 2013**

The directors present their report with the audited financial statements of the company for the year ended 30 June 2013

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property development

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2012 to the date of signing this report

A C Gallagher
G H Gosling

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 prepared 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 judgements and accounting 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

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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) 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 in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP were re-appointed as auditors during the year and have indicated their willingness to be re-appointed for another term. Appropriate arrangements have been put in place for them to be re-appointed as auditors in the absence of an Annual General Meeting.

CHIGWELL 02 LIMITED (REGISTERED NUMBER: 04466955)

**REPORT OF THE DIRECTORS – (continued)
for the year ended 30 June 2013**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'G. H. Gosling', with a stylized flourish at the end.

G H Gosling - Director

12 November 2013

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHIGWELL 02 LIMITED

We have audited the financial statements of Chigwell 02 Limited for the year ended 30 June 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, 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 and express an opinion on 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 30 June 2013 and of its loss for the year 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

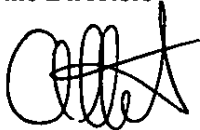
In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CHIGWELL 02 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, or
- the directors were not entitled to take advantage of the small companies' exemption in preparing the Report of the Directors



Christopher Hibbs (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
East Midlands

14 November 2013

CHIGWELL 02 LIMITED (REGISTERED NUMBER: 04466955)

PROFIT AND LOSS ACCOUNT
for the year ended 30 June 2013

	Notes	30 6 13 £	30 6 12 £
TURNOVER		-	2
Cost of sales		<u>-</u>	<u>(11,016)</u>
GROSS LOSS		-	(11,014)
Administrative expenses		(14)	(16)
Other operating income		<u>-</u>	<u>56</u>
OPERATING LOSS and LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	(14)	(10,974)
Tax on loss on ordinary activities	4	<u>3</u>	<u>2,798</u>
LOSS FOR THE FINANCIAL YEAR	10	<u>(11)</u>	<u>(8,176)</u>

CONTINUING OPERATIONS

All of the company's activities relate to continuing operations

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current financial year or previous financial year

NOTE OF HISTORICAL COST PROFITS AND LOSSES

The difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis is not material

The notes form part of these financial statements

CHIGWELL 02 LIMITED (REGISTERED NUMBER: 04466955)

BALANCE SHEET
30 June 2013

	Notes	30 6 13 £	30 6 12 £
CURRENT ASSETS			
Stocks	6	1	1
Debtors	7	<u>11,366</u>	<u>16,555</u>
		11,367	16,556
CREDITORS			
Amounts falling due within one year	8	<u>-</u>	<u>(5,178)</u>
NET CURRENT ASSETS		<u>11,367</u>	<u>11,378</u>
NET ASSETS		<u>11,367</u>	<u>11,378</u>
CAPITAL AND RESERVES			
Called up share capital	9	1	1
Profit and loss account	10	<u>11,366</u>	<u>11,377</u>
TOTAL SHAREHOLDERS' FUNDS	12	<u>11,367</u>	<u>11,378</u>

The financial statements were approved by the Board of Directors on 12 November 2013 and were signed on its behalf by



G H Gosling - Director

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2013

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Cash flow statement

The company is a subsidiary of Gallagher UK Limited and is included in the consolidated financial statements of that company which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS1 (revised 1996) - 'Cash flow statements'.

Turnover

Turnover represents the invoiced value of work done resulting from property development activities.

Cost of sales

In addition to the costs originally stocked in work in progress attributable to each sales transaction, included within cost of sales are expenses relating to fees expended in promoting developments through the planning system which are written off to the profit and loss account until the viability of such a development is reasonably secure, after which such costs are capitalised in accordance with the stocks accounting policy.

Other operating income

Other operating income represents incidental income arising from interests in development property.

Stocks

Work in progress, which includes land held for development, is valued at the lower of cost and net realisable value. Cost includes the purchase of land and acquisition expenses. Promotional costs associated with developments are expensed until the viability of that development is reasonably secure. Work in progress is reduced to net realisable value where changes in circumstances indicate full recovery is uncertain.

Taxation

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

Full provision is made on a non-discounted basis for deferred tax assets and liabilities arising due to timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation at the current rate of tax. Deferred tax assets are only recognised when it is considered more likely than not that they will be realised.

2 STAFF COSTS

There were no staff costs for the year ended 30 June 2013 nor for the year ended 30 June 2012.

The average monthly number of employees during the year was as follows:

	30 6 13 Number	30 6 12 Number
Directors	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 June 2013

3 OPERATING LOSS

The operating loss is stated after charging

	30 6 13 £	30 6 12 £
Directors' remuneration	<u>-</u>	<u>-</u>

The auditors' remuneration is paid by another group company and not recharged for both the current and prior financial periods. The directors are paid by another group company, Gallagher UK Limited and their emoluments are disclosed in the financial statements of that company.

4 TAXATION

The current corporation tax is equal to the standard UK corporation tax rate applied to the loss on ordinary activities before taxation. The differences are

	30 6 13 £	30 6 12 £
Loss on ordinary activities before taxation at 23.75% (2012: 25.5%)	(3)	(2,798)
Losses carried forward	<u>-</u>	<u>-</u>
	<u>(3)</u>	<u>(2,798)</u>

An unrecognised deferred tax asset in respect of tax losses of £3 at 23% (2012: £4 at 24%) is available to be carried forward. No deferred tax asset has been recognised as the directors are, as yet, uncertain when these will be utilised.

Legislation reducing the main rate of corporation tax to 23% with effect from 1 April 2013 was substantively enacted on 17 July 2012. Accordingly, the current year tax charge has been provided for at an effective rate of 23.75% and deferred tax assets and liabilities have been provided for at a rate of 23% in these financial statements.

In addition to the changes in rates of corporation tax disclosed above, further changes to the UK corporation tax rates were announced in the 2012 Autumn Statement and the March 2013 Budget. These include further reductions to the main rate to reduce the rate to 21% from 1 April 2014 and to 20% from 1 April 2015. These changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

The proposed reductions to the main rate of corporation tax are both expected to be enacted as part of Finance Act 2015.

CHIGWELL 02 LIMITED (REGISTERED NUMBER: 04466955)

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 June 2013

5 DIVIDENDS

	30 6 13 £	30 6 12 £
1 ordinary share of £1 each - £nil per share (2012 £90,000 per share)	<u>-</u>	<u>90,000</u>

6 STOCKS

	30 6 13 £	30 6 12 £
Work in progress	<u>1</u>	<u>1</u>

7 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 13 £	30 6 12 £
Amounts owed by group undertakings	<u>11,366</u>	<u>16,555</u>

8 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30 6 13 £	30 6 12 £
Trade creditors	-	4,200
Accruals and deferred income	<u>-</u>	<u>978</u>
	<u>-</u>	<u>5,178</u>

9 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid			30 6 13	30 6 12
Number	Class	Nominal value	£	£
1	Ordinary	£1	<u>1</u>	<u>1</u>

10 RESERVES

	Profit and loss account £
At 1 July 2012	11,377
Loss for the financial year	<u>(11)</u>
At 30 June 2013	<u>11,366</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the year ended 30 June 2013

11 RELATED PARTY DISCLOSURES

All of the subsidiary undertakings of Gallagher UK Limited are wholly owned and transactions between group companies are not disclosed

The company is party to a 5 year £340,000,000 bank facility which has been extended and is now due for renewal in December 2016 for the benefit of the Gallagher UK group and related companies. The company has provided mutual guarantees under the terms of the facility

At 30 June 2013, £181,800,000 (2012 £162,300,000) was utilised by related companies in relation to their assets and development sites within the facilities

There are no other related party disclosures to be made concerning the year ended 30 June 2013 (2012 none)

12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	30 6 13	30 6 12
	£	£
Loss for the financial year	(11)	(8,176)
Dividend paid	-	(90,000)
Net reduction of shareholders' funds	(11)	(98,176)
Opening shareholders' funds	<u>11,378</u>	<u>109,554</u>
Closing shareholders' funds	<u>11,367</u>	<u>11,378</u>

13 CONTROLLING PARTY

The company is a wholly owned subsidiary of Gallagher UK Limited, (incorporated in England and Wales) its ultimate parent company. The ultimate controlling party of the company is Mr A C Gallagher by virtue of his ownership of the share capital of the parent company