

TWG Investments (No. 1) Limited

Report and Financial Statements

26 December 2008

Registered No: SC 152727

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Directors' report

The directors present their report and financial statements for the 52 weeks ended 26 December 2008.

Results and dividends

The profit for the year after taxation amounted to £638,791 (2007:£582,669).

A dividend of £nil (2007:£539,254) was paid during the year.

Principal activities

The company is principally engaged in the acquisition and retention of investments, rights or interests in other companies.

Financial risk management objectives and policies

The Company's principal financial instruments comprise inter group loans and cash at bank. The principal financial risks to which the Company is exposed are those relating to credit, liquidity and interest rate. These risks are managed in accordance with Board approved policies.

Credit risk

The credit risk on liquid funds is limited because the counter parties are banks with high credit ratings assigned by international credit- rating agencies. There is no credit risk associated with the company's inter group receivables.

Liquidity risk

The Company obtains funding for its operations via the Group's bank facilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans.

Interest rate risk

The Company has inter group loans receivable and a bank overdraft which are subject to variable rates of interest. Interest rate risk is regularly monitored and is not considered to be material.

Board of directors

The directors during the year were:

A W F Mitchelson
M Selway
K Cochrane

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



F McCaw
Secretary

1 June 2009

Statement of directors' responsibilities in respect of the financial statements

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). 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 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Independent auditors' report

to the members of TWG Investments (No.1) Limited

We have audited the company's financial statements for the 52 weeks ended 26 December 2008 which comprise the Profit and Loss Account, the 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 are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as 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 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 transactions with the company 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

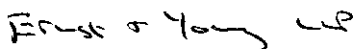
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the 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.

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 26 December 2008 and of its profit for the period 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.



Ernst & Young LLP
Registered Auditor
Glasgow
1 June 2009

Profit and loss account

for the 52 weeks ended 26 December 2008

	<i>Notes</i>	2008 £	2007 £
Other income		126,560	34,675
Operating profit	3	<u>126,560</u>	<u>34,675</u>
Interest receivable	4	802,142	720,566
Bank interest payable		(35,288)	-
Profit on ordinary activities before tax		<u>893,414</u>	<u>755,241</u>
Tax on profit on ordinary activities	5	(254,623)	(172,572)
Profit for the financial year	10	<u><u>638,791</u></u>	<u><u>582,669</u></u>

There were no recognised gains or losses other than the profits reported above.

There are no material differences between the profit on ordinary activities before tax and the retained profit for the year above and their historical cost equivalents.

Balance sheet

at 26 December 2008

	Notes	2008 £	2007 £
Fixed assets			
Investments	6	-	14,564,880
Current assets			
Debtors	7	13,328,859	17,313
Cash at bank		434,210	-
		<u>13,763,069</u>	<u>17,313</u>
Creditors: amounts falling due within one year	8	(62,378)	(1,520,293)
Net current assets/(liabilities)		<u>13,700,691</u>	<u>(1,502,980)</u>
Net assets		<u>13,700,691</u>	<u>13,061,900</u>
Capital and reserves			
Called up share capital	9	10,849,000	10,849,000
Profit and loss account	10	2,851,691	2,212,900
Shareholders' funds	11	<u>13,700,691</u>	<u>13,061,900</u>

The financial statements of TWG Investments (No.1) Limited were approved by the directors on 1 June 2009 and were signed on its behalf by:



K Cochrane
Director

Notes to the financial statements

at 26 December 2008

1. Accounting policies

Basis of preparation

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

Group financial statements

In accordance with section 228 of the Companies Act 1985, group financial statements are not prepared as the company is a wholly owned subsidiary of another body corporate which publishes consolidated accounts.

Cash flow statement

The Company has taken advantage of the provisions of FRS1 (revised) which exempts companies which are part of a group which has published a consolidated cash flow statement from preparing a cash flow statement. Accordingly, no cash flow statement for the company has been presented.

Foreign currencies

Transactions in foreign currencies are converted at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates ruling at the balance sheet date. Differences on exchange are dealt with through the profit and loss account as they arise.

Investments

Investments are held at historical cost less a provision for impairment where required.

Investment income

Investment income is included at the amount of cash received or receivable plus withholding tax.

2. Directors and employees

The company had no employees during the period (2007: nil).

No directors received any emoluments during the period in respect of services to the company (2007: nil).

3. Operating profit

Operating profit is stated after crediting:

	2008	2007
	£	£
Exchange gain	126,560	34,675

4. Interest receivable

	2008	2007
	£	£
Interest receivable from fellow subsidiary undertakings	27,767	658,752
Interest receivable from parent company	774,375	16,842
Bank interest receivable	-	40,522
Other interest receivable	-	4,450
	<u>802,142</u>	<u>720,566</u>

Notes to the financial statements

at 26 December 2008

5. Taxation

	2008 £	2007 £
<i>Current Taxation</i>		
Corporation tax at 28.5% (2007: 30%)	254,623	226,572
	<u>254,623</u>	<u>226,572</u>
Adjustment to prior years	-	(54,000)
	<u>254,623</u>	<u>172,572</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 28.5% (2007: 30%). The actual tax charge for the year is in line with (2007: below) the standard rate for the reasons set out in the following reconciliation.

	2008 £	2007 £
Profit on ordinary activities before tax	893,414	755,241
Tax on profit on ordinary activities at standard rate 28.5% (2007: 30%)	254,623	226,572
<i>Factors affecting charge for the period:</i>		
Adjustment to prior years	-	(54,000)
	<u>254,623</u>	<u>172,572</u>

6. Fixed asset investments

	<i>Loan to ultimate parent company</i> £	<i>Loan to other group company</i> £	<i>Total</i> £
As at 29 December 2007	13,100,000	1,464,880	14,564,880
Disposals	-	(1,585,340)	(1,585,340)
Exchange gain	-	120,460	120,460
Reclassification to current assets	(13,100,000)	-	(13,100,000)
	<u>-</u>	<u>-</u>	<u>-</u>
As at 26 December 2008	-	-	-

Notes to the financial statements

at 26 December 2008

7. Debtors

	2008	2007
	£	£
Amounts due by ultimate parent undertaking	13,323,146	-
Amounts due by fellow subsidiary undertakings	470	17,313
Other debtors	5,243	-
	<u>13,328,859</u>	<u>17,313</u>

8. Creditors: amounts falling due within one year

	2008	2007
	£	£
Bank overdraft	-	1,500,879
Accruals	1,024	1,024
Corporation tax	61,354	14,302
Other creditors	-	4,088
	<u>62,378</u>	<u>1,520,293</u>

9. Share capital

	2008	2007
	£	£
Authorised share capital:		
Ordinary shares of £1 each	<u>11,000,000</u>	<u>11,000,000</u>
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>10,849,000</u>	<u>10,849,000</u>

10. Profit and loss account

	2008	2007
	£	£
At 28 December 2007	2,212,900	2,169,485
Profit for the financial year	638,791	582,669
Dividends	-	(539,254)
At 26 December 2008	<u>2,851,691</u>	<u>2,212,900</u>

Notes to the financial statements

at 26 December 2008

11. Reconciliation of shareholders' funds

	2008	2007
	£	£
Profit for the financial year	638,791	582,669
Dividends	-	(539,254)
Net addition to shareholders' funds	638,791	43,415
Opening shareholders' funds	13,061,900	13,018,485
Closing shareholders' funds	13,700,691	13,061,900

12. Transactions with related parties

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are a part of The Weir Group PLC group.

13. Contingent liabilities

The company has given a guarantee in relation to the overdraft and loan facilities extended to The Weir Group PLC and certain subsidiary companies. The net funds of the other companies party to these facilities at 26 December 2008 amounted to £2,571,000 (2007: net funds £1,937,000).

14. Ultimate parent company

The directors consider that The Weir Group PLC (registered in Scotland) is the company's ultimate parent company and ultimate controlling party. This is the only parent undertaking for which group financial statements are drawn up and of which the company is a member. The address from which copies of these group financial statements are available to the public is: The Weir Group PLC, Clydesdale Bank Exchange, 20 Waterloo Street, Glasgow, G2 6DB.