

Company No. 00614248

Bellwinch Homes Limited

Report and Financial Statements

For the year ended

30 June 2019



Bellwinch Homes Limited

Report and financial statements for the year ended 30 June 2019

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Directors and Registered office

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Directors

Ian Mitchell
Trevor Thomas
Sarah Cooper

Company Secretary

Philip Higgins

Registered office

Tempsford Hall
Sandy
Bedfordshire
SG19 2BD

Company number

00614248

Bellwinch Homes Limited

Report of the directors for the year ended 30 June 2019

The directors of Bellwinch Homes Limited (the "Company") present their report together with the financial statements for the year ended 30 June 2019.

The Company is a member of the Kier Group plc ("Kier") group of companies (the "Kier Group" and the "Group").

This report has been prepared in accordance with the special provisions of section 414B of the Companies Act 2006 relating to small companies. The directors have taken exemption under this regime in relation to the strategic report.

Principal activities

The principal activity of the Company is that of a non-trading holding company within the Kier Group.

Directors

The directors who served the Company during the year and to the date of this report were as follows:

John Anderson (resigned 1st July 2019)
Sarah Cooper
Trevor Thomas
Nick Moore (resigned 12 February 2020)
Dan Brown (resigned 31 January 2020)
Ian Mitchell (appointed 14 February 2020)

Fair review of the business

As a non-trading holding company there were no operational transactions in the Company's profit and loss account in the year.

During the year Morell-Ixworth Limited, one of the Company's subsidiaries, was liquidated resulting in a final distribution being recorded within other operating income. The investment had previously been impaired to nil and the distribution received has been offset against amounts owed to group undertakings.

As the Company is a non-trading holding company, the directors do not use any specific key performance indicators to measure the performance of the Company.

Future developments and going concern

Following a reorganisation of the group structure, it is the directors' intention to liquidate the Company in the near future. The financial statements have therefore been prepared on the basis that the Company is no longer a going concern. Assets and liabilities have been included in the financial statements at their net realisable value. Costs to liquidate the Company will borne by Kier Living Limited.

Directors' liability insurance

The articles of association of the Company entitle the directors of the Company, to the extent permitted by the Companies Act 2006 and other applicable legislation, to be indemnified out of the assets of the Company in the event that they suffer any expenses in connection with certain proceedings relating to the execution of their duties as directors of the Company.

In addition, Kier maintains insurance for the directors and officers of companies within the Kier Group to cover certain losses or liabilities to which they may be exposed due to their office.

Bellwinch Homes Limited

Report of the directors for the year ended 30 June 2019 (continued)

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 regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 year. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have 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 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.

Independent Auditors

PricewaterhouseCoopers LLP were appointed as auditors to the Company during the year and have indicated their willingness to continue in office.

On behalf of the board



Sarah Cooper
Director

31 March 2020

Independent auditors' report to the members of Bellwinch Homes Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bellwinch Homes Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Report and Financial Statements (the "Annual Report"), which comprise: the Balance sheet as at 30 June 2019; the Statement of comprehensive income, the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Report of the directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Report of the directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Report of the Directors for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Report of the directors.

Independent auditors' report to the members of Bellwinch Homes Limited (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Bellwinch Homes Limited

***Independent auditors' report to the members of
Bellwinch Homes Limited (continued)***

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Alex Lazarus (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
31 March 2020

Bellwinch Homes Limited**Statement of comprehensive income**
for the year ended 30 June 2019

| | Note | 30 June 2019 | 30 June 2018 |
|--------------------------------------|-------------|---------------------|---------------------|
| | | £ | £ |
| | | <hr/> | <hr/> |
| Other operating income | 3 | 1 | 148,488 |
| Profit for the financial year | | 1 | 148,488 |
| | | <hr/> | <hr/> |

The company has no recognised gains or losses for the year other than the results above.

Bellwinch Homes Limited**Balance sheet at 30 June 2019**

| Company number: 00614248 | Notes | 30 June 2019 | 30 June 2018 |
|---|----------|------------------|------------------|
| | | £ | £ |
| | | | |
| Debtors: amounts falling due within one year | 5 | 10,831,304 | 10,831,304 |
| Creditors: amounts falling due within one year | 6 | (3,560,296) | (3,560,297) |
| Net assets | | <u>7,271,008</u> | <u>7,271,007</u> |
| Capital and reserves: | | | |
| Called up share capital | 7 | 9,554,000 | 9,554,000 |
| Convertible Equity | 8 | 1,478,000 | 1,478,000 |
| Capital Redemption reserve | 9 | 5,400,748 | 5,400,748 |
| Other Reserves | | 44,209 | 44,209 |
| Profit and loss account | | (9,205,949) | (9,205,950) |
| Shareholders' funds | | <u>7,271,008</u> | <u>7,271,007</u> |

The financial statements on pages 6 to 12 were approved by the Board of Directors on 31 March 2020
and signed on its behalf by:



Sarah Cooper
Director

The notes on page 9 to 12 form part of these financial statements.

Bellwinch Homes Limited**Statement of changes in equity**
for the year ended 30 June 2019

| | Called up share capital | Convertible Equity | Capital redemption reserve | Other reserves | Profit and loss account | Total Shareholders' funds |
|----------------------------------|----------------------------|-----------------------|----------------------------------|-------------------|----------------------------|---------------------------------|
| | £ | £ | £ | £ | £ | £ |
| At 1 July 2017 | 9,554,000 | 1,478,000 | 5,400,748 | 44,209 | (9,354,438) | 7,122,519 |
| Profit for the financial year | - | - | - | - | 148,488 | 148,488 |
| At 30 June 2018 | 9,554,000 | 1,478,000 | 5,400,748 | 44,209 | (9,205,950) | 7,271,007 |
| Profit for the financial year | - | - | - | - | 1 | 1 |
| At 30 June 2019 | 9,554,000 | 1,478,000 | 5,400,748 | 44,209 | (9,205,949) | 7,271,008 |

Bellwinch Homes Limited

Notes to the financial statements for the year ended 30 June 2019

1. General information

The Company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is:

Tempsford Hall
Sandy
Bedfordshire
SG19 2BD

2. Accounting policies

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. Accounting policies have been applied consistently.

Exemption from preparing group financial statements

The financial statements contain information about Bellwinch Homes Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Kier Group plc, a company incorporated in England and Wales.

As a qualifying entity (for the purposes of FRS102) the Company has taken advantage of the following disclosure exemptions under paragraph 1.12 of FRS102:

- The requirements of section 7 of FRS102 to produce a cashflow statement.
- The requirement of section 33 of FRS102 to disclose related party transactions with related parties within the same wholly owned group.

Critical accounting estimates and judgements

There are no critical accounting estimates or judgements which have a material impact on the financial statements.

Going concern

Following a reorganisation of the group structure, it is the director's intention to liquidate the Company in the near future. The financial statements have therefore been prepared on the basis that the Company is no longer a going concern. Assets and liabilities are included in the financial statements at their net realisable value. Costs to liquidate the Company will be borne by Kier Living Limited.

3. Other operating income

The other operating income during the year of £1 relates wholly to a pre-elimination distribution from Bellwinch Homes Limited's subsidiary undertaking, Morrell-Ixworth Limited, on the 7th November 2018. The income isn't taxable and therefore the Company has no tax charge to recognise within the accounts.

Bellwinch Homes Limited**Notes to the financial statements for the year ended 30 June 2019 (continued)****4. Investments in subsidiary**

The details of the subsidiary as at 30 June 2019 are as follows:

| Company | Principal activity | Registered office | Share class held | % of ownership interest and voting rights held |
|------------------------------|---------------------------|---|-------------------------|---|
| Connect 21 Community Limited | Dormant | The Maltings, Sandon, Buntingford, England, SG9 0RU | Ordinary | 100% |

5. Debtors: amounts falling due within one year

| | 30 June 2019 | 30 June 2018 |
|------------------------------------|---------------------|---------------------|
| | £ | £ |
| Amounts owed by group undertakings | 10,831,304 | 10,831,304 |
| Debtors | 10,831,304 | 10,831,304 |

All balances with group undertakings are unsecured interest free and repayable on demand.

6. Creditors: amounts falling due within one year

| | 30 June 2019 | 30 June 2018 |
|------------------------------------|---------------------|---------------------|
| | £ | £ |
| Amounts owed to group undertakings | (3,560,296) | (3,560,297) |
| Creditors | (3,560,296) | (3,560,297) |

All balances with group undertakings are unsecured interest free and repayable on demand

Bellwinch Homes Limited

Notes to the financial statements for the year ended 30 June 2019 (continued)

7. Share capital

| | 30 June 2019 £ | 30 June 2018 £ |
|---|-------------------|-------------------|
| Allotted, called up and fully paid: | | |
| 955,400,000 (2018: 955,400,000) Ordinary shares of £0.01 each | 9,553,900 | 9,553,900 |
| | 9,553,900 | 9,553,900 |

8. Convertible loan Equity

This represents the value attached to the convertible feature of an unsecured convertible loan which matured and was paid on 30 June 2009. The £1,478,000 was measured at the inception of the convertible loan by subtracting the present value of the convertible loan of £8,522,000 from the nominal value of £10,000,000.

9. Capital Redemption reserve

On 28 June 1985, the authorised share capital was changed by dividing the 2,600,000 unissued ordinary £1 shares into 2,600,000 ordinary shares of 1p each. On the same date (a) a bonus issue of 5,400,748 ordinary shares of 1p each was made by way of capitalisation of reserves, and (b) the 5,400,748 ordinary £1 shares in issue were converted into deferred shares. On 25 July 1985 the deferred shares were bought in by the company and cancelled.

10. Stock

The Company has a number of small residual land parcels that were a result of housing developments which were completed a number of years ago. These have previously been impaired to nil. The Company will be transferring these to third parties and other Group companies ahead of liquidation and no gain or loss is expected to be recognised. Any legal fees and costs related to land transfer will be borne by Kier Living Limited.

11. Directors' remuneration

The directors are remunerated through other Kier Group companies. Any apportionment of directors' remuneration in respect of their services to the Company would be immaterial.

12. Auditors' remuneration

The audit fees in the current year were paid on the Company's behalf by Kier Living Limited. The amount attributable to the Company is approximately £2,000 (2018: £2,000). The Company did not require an audit in the prior year.

13. Corporation tax

The Company received no taxable income during the year and therefore has a £nil liability to corporation tax.

Bellwinch Homes Limited

Notes to the financial statements for the year ended 30 June 2019 (continued)

14. Ultimate parent undertaking

The Company is a wholly-owned subsidiary of Bellwinch Limited, a Company registered in England and Wales. The ultimate parent undertaking is Kier Group plc.

Kier Group plc prepares consolidated financial statements and copies can be obtained from The Secretary, Tempsford Hall, Sandy, Bedfordshire, SG19 2BD and at www.kier.co.uk.

The Company is taking advantage of the exemption allowed in FRS 102, paragraph 33.1A, not to disclose transactions with related parties which are wholly owned, either directly or indirectly, by Kier Group plc.

Relationship between entity and parents

The parent of the largest group in which these financial statements are consolidated is Kier Group plc, incorporated in England and Wales.

The address of Kier Group plc is:
Tempsford Hall
Sandy
Bedfordshire
SG19 2BD

Further information on Kier Group plc can be obtained from www.kier.co.uk.

The parent of the smallest group in which these financial statements are consolidated is Kier Limited, incorporated in England and Wales.

The address of Kier Limited is:
Tempsford Hall
Sandy
Bedfordshire
SG19 2BD

The financial statements of Kier Limited are available from Companies House.