

Wainhomes Developments Limited
Annual report and financial statements
Registered number 3703026
Year end 30 June 2015



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2015.

The Company has met the requirements in The Companies Act 2006 to obtain the exemption provided, based on its size, from the presentation of a strategic report.

Principal activities

The principal activity of the company is residential development.

Business review

The company secured a number of option sites which it is promoting for residential development.

Risk, uncertainties and internal control

The company has a monthly board meeting at which performance is monitored against detailed budgets and revised forecasts are updated monthly. This monthly meeting reviews financial, sales production, health and safety, and site valuations.

A standard form of appraisal consisting of marketing, technical and financial appraisal is prepared to support the acquisition of the development sites. The company engages independent solicitors to carry out the legal due diligence and the report of that solicitor is included with the appraisal.

The company operates a rolling quarterly valuation programme on its development sites with variances to budget build costs reconciled.

The company employs an independent specialist safety consultant to monitor and report on health and safety on its developments. In addition to this, the company had a full health and safety audit carried out by the independent health and safety consultant.

Going Concern

The company and Group forecasts and projections, taking account of reasonably possible changes in trading performance show that the group should be able to operate within the level of its bank facility.

After making enquiries, the directors have a reasonable expectation that the company and Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual reports and accounts.

Proposed dividend and transfer to reserves

The directors do not recommend payment of a dividend (2014: £nil).

Directors' report *(continued)*

Directors

The directors who held office during the year were as follows:

W Ainscough
SJ Owen
S Robinson

Liability insurance

The group maintains directors' and officers' liability insurance for directors and officers of the company.

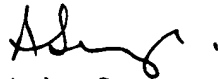
Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



Andrew Savage
Secretary

Cedarwood 2
Kelvin Close
Birchwood
Warrington
WA3 7PB

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

8 Princes Parade
Liverpool
L3 1QH
United Kingdom

Independent auditor's report to the members of Wainhomes Developments Limited

We have audited the financial statements of Wainhomes Developments Limited for the year ended 30 June 2015 set out on pages 6 to 14. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Standard's web-site at www.frc.org.uk/auditscopeukprivate.

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 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Wainhomes Developments 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.
- the directors were not entitled to take advantage of the small companies exemption in not preparing a strategic report.

 Jones.

Hywel Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
8 Princes Parade
Liverpool
L3 1QH

7 January 2016.

Profit and loss account
for the year ended 30 June 2015

	<i>Note</i>	2015 £000	2014 £000
Turnover		15	68
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		15	68
Marketing and administrative expenses		(286)	(515)
		<hr/>	<hr/>
Operating loss		(271)	(447)
Interest received	5	8	12
		<hr/>	<hr/>
Loss on ordinary activities before taxation	2	(263)	(435)
Tax on loss on ordinary activities	6	54	98
		<hr/>	<hr/>
Retained loss for the year		(209)	(337)
		<hr/>	<hr/>

Notes on pages 8 to 14 form part of these financial statements

The company has no recognised gains or losses for the years ending in 2015 or 2014 other than the loss for those years, therefore no statement of comprehensive income is presented.

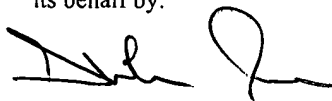
A reconciliation of movements in shareholder's funds is given in note 13.

Balance sheet
at 30 June 2015

	Note	2015 £000	2014 £000
Fixed assets			
Tangible assets	7	26	13
		<u>26</u>	<u>13</u>
Current assets			
Stocks	8	965	677
Debtors	9	3	100
Cash at bank and in hand		305	339
		<u>1,273</u>	<u>1,116</u>
Creditors: amounts falling due within one year	10	(563)	(184)
Net current assets		<u>710</u>	<u>932</u>
Total assets less current liabilities		<u>736</u>	<u>945</u>
Net assets		<u>736</u>	<u>945</u>
Capital and reserves			
Called up share capital	11	2,001	2,001
Profit and loss account	12	(1,265)	(1,056)
Equity shareholder's funds	13	<u>736</u>	<u>945</u>

The notes on pages 8 to 14 form part of these financial statements.

These financial statements were approved by the board of directors on 15th June 2015 and were signed on its behalf by:



SJ Owen
Chief Executive

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with the Companies Act 2006 and applicable accounting standards using the historical cost convention. The principal accounting policies, which have been applied consistently, are set out below.

The company is exempt from the requirement by Financial Reporting Standard 1 to prepare a cash flow statement, as 100% of the voting rights of the company's shares are controlled by Wain Group Holdings Limited. The consolidated financial statements of Wain Group Holdings Limited, which include the company, are publicly available.

The company is exempt from the requirement of Financial Reporting Standard 8 to disclose related party transactions with Wain Group Holdings Limited and its associated undertakings on the grounds that it is a wholly owned subsidiary of Wain Group Holdings Limited.

Going concern

The company and Group forecasts and projections, taking account of reasonably possible changes in trading performance show that the group should be able to operate within the level of its bank facility.

After making enquiries, the directors have a reasonable expectation that the company and Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual reports and accounts.

Fixed assets and depreciation

Depreciation is provided by the group to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Motor vehicles	4 years
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Stocks and work in progress

Land includes sites owned outright and amounts relating to sites where contracts have been exchanged, but completion is subject to detailed planning permission being received.

Stocks and work in progress are stated at the lower of cost and net realisable value and include where appropriate, an element of site overheads.

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen, but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Turnover

Turnover represents sales from house building. Sales are recognised on legal completion of conveyance.

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amounts charged to the profit and loss account represent the contributions payable to the scheme in respect of the accounting period.

Notes (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the Company

Following the adoption of FRS25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholder's funds) only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholder's funds (see dividends policy) are dealt with as appropriations in the reconciliation of movements in shareholder's funds.

2 Loss on ordinary activities before taxation

	2015 £000	2014 £000
<i>Loss on ordinary activities before taxation is stated after charging:</i>		
Amounts receivable by the auditors and their associates in respect of:		
Audit of financial statements of subsidiary pursuant to legislation	3	3
Other services relating to taxation	4	4
Depreciation and other amounts written off tangible fixed assets	7	8
Profit on disposal of fixed assets	(3)	-
	<hr/> <hr/>	<hr/> <hr/>

3 Remuneration of directors

	2015 £000	2014 £000
Directors' emoluments	170	163
Company contributions to money purchase pension schemes	10	10
	<hr/> <hr/>	<hr/> <hr/>
	180	173

Notes (continued)

3 Remuneration of directors (continued)

The total emoluments of the highest paid director was £170,000 (2014: £162,500) and company pension contributions of £10,400 (2014: £10,000) were made to a money purchase scheme on his behalf.

Retirement benefits are accruing to the following number of directors under:

	2015	2014
Money purchase scheme	1	1
	<u>1</u>	<u>1</u>

4 Staff number and costs

The average number of persons employed by the company (including directors) during the year was:

	2015	2014
Other	1	1
	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

The aggregate payroll costs of these persons were as follows:

	2015 £000	2014 £000
Wages and salaries	195	180
Social security costs	25	27
Other pension costs (see note 14)	10	10
	<u>230</u>	<u>217</u>

5 Interest received

	2015 £000	2014 £000
On bank balances	8	12
	<u>8</u>	<u>12</u>

Notes (continued)

6 Taxation

	2015 £000	2014 £000
<i>UK corporation tax</i>		
Group Relief	(55)	(97)
	<hr/>	<hr/>
Total current tax credit	(55)	(97)
<i>Deferred tax</i>		
Origination/reversal of timing differences	1	(1)
	<hr/>	<hr/>
Tax credit on loss on ordinary activities	(54)	(98)
	<hr/>	<hr/>

Factors affecting the tax charge for the current period

The current tax credit for the year is lower (2013: lower) than the standard rate of corporation tax in the UK of 20.75% (2014: 22.5%), as explained below.

	2015 £000	2014 £000
<i>Current tax reconciliation</i>		
Loss on ordinary activities before taxation	(263)	(435)
	<hr/>	<hr/>
Current tax at 20.75% (2014: 22.5%)	(54)	(98)
<i>Effects of:</i>		
Capital allowances in excess of depreciation for the year	(1)	1
	<hr/>	<hr/>
Total current tax credit (see above)	(55)	(97)
	<hr/>	<hr/>

	2015 £000	2014 £000
<i>The elements of deferred taxation are as follows:</i>		
Capital allowances in excess of depreciation	(1)	(1)
	<hr/>	<hr/>
Deferred tax asset (see note 9)	(1)	(1)
	<hr/>	<hr/>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. In the budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 30 June 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

Notes (continued)

7 Tangible fixed assets

<i>Cost</i>	Motor vehicles £000	Total £000
At beginning of year	32	32
Additions	31	31
Disposals	(32)	(32)
	<hr/>	<hr/>
At end of year	31	32
	<hr/>	<hr/>
<i>Depreciation</i>		
At beginning of year	19	19
Charged during year	7	7
Disposals	(21)	(21)
	<hr/>	<hr/>
At end of year	5	5
	<hr/>	<hr/>
<i>Net book value</i>		
At 30 June 2015	26	26
	<hr/>	<hr/>
At 30 June 2014	13	13
	<hr/>	<hr/>

8 Stocks

	2015 £000	2014 £000
Land	720	547
Construction work in progress	245	130
	<hr/>	<hr/>
	965	677
	<hr/>	<hr/>

During the year, land held at net book value of £nil (2014: £nil) and construction costs held at net book value of £nil (2014: £nil) were transferred at £nil profit (2014: £nil) to Wainhomes North West Limited.

9 Debtors

	2015 £000	2014 £000
Amounts due from parent and other group undertakings	-	97
Deferred tax (see note 6)	1	1
Other debtors	2	1
	<hr/>	<hr/>
	3	99
	<hr/>	<hr/>

Notes *(continued)*

10 Creditors: amounts falling due within one year

	2015 £000	2014 £000
Amounts due to other group undertakings	480	130
Accruals	83	55
	<u>563</u>	<u>185</u>

11 Called up share capital

	2015 £000	2014 £000
<i>Allotted, called up and fully paid</i>		
2,001,000 ordinary shares of £1 each	<u>2,001</u>	<u>2,001</u>

12 Reserves

	Profit and loss account £000
At 30 June 2014	(1,056)
Retained loss during year	(209)
At 30 June 2015	<u>(1,265)</u>

13 Reconciliation of movements in equity shareholders' funds

	Year ended 30 June 2015 £000	Year ended 30 June 2014 £000
Loss for the financial year	(209)	(337)
Net reduction in equity shareholders' funds	(209)	(337)
Opening equity shareholders' funds	<u>945</u>	<u>1,282</u>
Closing equity shareholders' funds	<u>736</u>	<u>945</u>

Notes *(continued)*

14 Pension scheme

The company operates a defined contribution pension scheme. The pension charge in the year represents contributions paid by the company to the scheme and was £10,400 (2014: £10,000). There were no outstanding or prepaid contributions at the year-end (2014: £nil).

15 Ultimate holding company

The company is a subsidiary undertaking of Wain Group Limited incorporated in Great Britain and registered in England and Wales.

The largest and smallest group in which the results of the company are consolidated is that headed by Wain Group Holdings Limited, incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from:

The Secretary
Cedarwood 2
Kelvin Close
Birchwood
Warrington
WA3 7PB