HIMOR (Land) Limited

Directors' Report and Financial Statements

Registered number 07866266

30 June 2017

Contents

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2017.

In accordance with Section 414B of the Companies Act 2006 (Strategic report and Directors' report) Regulations 2013, the company is exempt from preparing a Strategic report.

Principal activities

The principal activity of the company is the provision of consultancy services and expertise to obtain planning permission on land that is owned by the company or third parties.

Business performance

The results of the company are in line with expectations and its profit and loss account is set out on page 6.

HIMOR (Land) Limited is a 100% owned subsidiary of HIMOR Group Limited. On 11 October 2016 the entire share capital of HIMOR Group Limited was acquired by Wain Group Holdings Limited, a company registered in the UK.

Proposed dividend

The loss on the ordinary activities of the company before taxation amounted to £456,000 (*2016: £329,000*). The directors do not propose the payment of a dividend (*2016: £nil*).

Principal risks and uncertainties

The company has a monthly board meeting. Performance is monitored against a detailed budget and revised forecasts are updated regularly. This monthly meeting includes a managing director's report, a development and property report, a finance report, consideration of other operational issues and a marketing report.

Research and development

The company does not undertake any research and development.

Financial instruments

The company's financial instruments comprise share capital and items arising from operations (trade debtors and trade creditors).

Political contributions

The company made no political donations nor incurred any political expenditure during the year.

Key performance indicators

The key performance indicators of the company are return on capital employed and profitability of individual sites held.

Directors' report *(continued)*

Directors

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

W Ainscough
W F Ainscough
L S Shreeve
A Gee (resigned 31 October 2016)
D Jones (appointed 19 September 2016, resigned 2 October 2017)
M Booth (appointed 16 December 2016)

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 auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

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

W F Ainscough
Director
5|3|18

Registered address
Carrington Business Park
Carrington
Manchester
M31 4DD

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) including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

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 these 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error, and 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
1 St Peter's Square
Manchester
M2 3AE
United Kingdom

Independent auditor's report to the members of HIMOR (Land) Limited

Opinion

We have audited the financial statements of HIMOR (Land) Limited ("the company") for the year ended 30 June 2017 which comprise the Profit and loss account and other comprehensive income, the Balance sheet, the Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2017 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Directors' report

The directors are responsible for the Directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; 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; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

Nicola Quayle

Nicola Quayle (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE

12/3/18

Profit and loss account and other comprehensive income
for the year ended 30 June 2017

	Note	**2017** **£000**	2016 £000
Turnover	*2*	**6**	6
Cost of sales		**-**	-
Gross profit		**6**	6
Administrative expenses		**(462)**	(335)
Operating loss	*3,4*	**(456)**	(329)
Loss before taxation		**(456)**	(329)
Tax on loss	*5*	**-**	-
Loss and total comprehensive loss for the financial year		**(456)**	(329)

All revenue and operating profits are derived from continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

Balance sheet
at 30 June 2017

	Note	2017		2016	
		£000	**£000**	£000	£000
Tangible fixed assets	*6*		**1**		1
Current assets					
Stock	*7*	**2,242**		2,473	
Cash at bank and in hand		**2**		-	
		2,244		2,473	
Creditors: amounts falling due within one year	*8*	**(4,542)**		(4,315)	
Net current liabilities		**(2,298)**			(1,842)
Total assets less current liabilities			**(2,297)**		(1,841)
Net liabilities			**(2,297)**		(1,841)
Capital and reserves					
Called up share capital	*9*		**-**		-
Profit and loss account			**(2,297)**		(1,841)
Shareholders' funds			**(2,297)**		(1,841)

The notes on pages 9 to 14 form part of these financial statements.

These financial statements were approved by the board of directors on 5/3/18 and were signed on its behalf by:

W F Ainscough
Director

Company registration number – 07866266

Statement of changes in equity

	Called up share capital £000	Profit and loss account £000	Total £000
Balance at 1 July 2015	-	(1,512)	(1,512)
Total comprehensive loss for the period			
Loss for the year	-	(329)	(329)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(329)	(329)
Balance at 30 June 2016	-	**(1,841)**	**(1,841)**
Balance at 1 July 2016	-	**(1,841)**	**(1,841)**
Total comprehensive loss for the period			
Loss for the year	-	(456)	(456)
Other comprehensive income	-	-	-
Total comprehensive loss for the period	-	(2,297)	(2,297)
Balance at 30 June 2017		**(2,297)**	**(2,297)**

The notes on pages 9 to 14 form part of these financial statements.

Notes
(forming part of the financial statements)

1 Accounting policies

HIMOR (Land) Limited (the "company") is a private company limited by shares and incorporated and domiciled in England and Wales, UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The company's ultimate parent undertaking, Wain Group Holdings Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Wain Group Holdings Limited are prepared in accordance with FRS 102 and are available to the public and may be obtained from the address given in note 10. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash flow statement and related notes; and
- Key management personnel compensation.

As the consolidated financial statements of the company's ultimate parent undertaking include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosure:

- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors in the application of those accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next financial year are disclosed in note 12.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate, on the basis that HIMOR Group Limited (the company's immediate parent company) will continue to provide financial support to the extent necessary to enable it to continue to trade and to pay its liabilities as and when they become due.

Notes *(continued)*

1 Accounting policies *(continued)*

Revenue

Revenue represents the rental income receivable in the year (excluding value added tax) derived from the letting of land.

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. In determining the cost of development property purchased for resale the purchase price is used.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, or investment property that is measured at fair value, deferred tax is provided at the rates and allowances applicable to the sale of the asset/property. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that is it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Classification of financial instruments issued by the company

In accordance with FRS 102.22, financial instruments issued by the company are treated as equity 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.

Basic financial instruments

Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs.

Notes *(continued)*

1 Accounting policies *(continued)*

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. The estimated useful lives are as follows:

- Computer equipment 3 years

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

2 Turnover

All turnover earned in 2017 and 2016 relates to the principal activity of the company as noted on page 1 of the Directors' report and it is all generated within the UK.

3 Employee costs and directors' remuneration

The company has no employees *(2016: nil)*.

Directors' remuneration of £nil (*2016: £93,439*) was paid directly by HIMOR (Land) Limited during the year including £nil *(2016: £8,704)* in contributions to money purchase pension schemes. Retirement benefits are accruing to no directors *(2016: 1)* under money purchase pension schemes.

All other directors' remuneration was paid by HIMOR Group Limited, the company's immediate parent undertaking, in the current year and prior year. It is not practical to determine how much of this remuneration is in respect of services performed on behalf of HIMOR (Land) Limited and therefore it is HIMOR Group Limited that bears this cost in full. No amounts are recharged to the company. The total director's remuneration paid by HIMOR Group Limited in respect of individuals who are directors of HIMOR (Land) Limited was £936,455 (*2016: £700,000*).

4 Auditor remuneration

Auditor's remuneration was paid by HIMOR Group Limited, the company's immediate parent undertaking, in both 2017 and 2016 without recharge. The following are the amounts allocated in respect of HIMOR (Land) Limited.

	2017	2016
	£000	£000
Auditor's remuneration		
Audit of these financial statements	**2**	3

Notes *(continued)*

5 Taxation

Total tax expense recognised in the profit and loss account, other comprehensive income and equity

	2017	2016
	£000	£000
Current tax		
Current tax on income for the period	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Adjustment in respect of the prior year	-	-
Total deferred tax charge	-	-
Total tax	-	-

The tax credit for the year is lower than (*2016: lower than*) the standard rate of corporation tax in the UK of 19.75% (*2016: 20%*). The differences are explained below:

Current tax reconciliation	**2017**	2016
	£000	£000
Loss for the year	**(456)**	(329)
Total tax credit	-	-
Loss for the year before tax	**(456)**	(329)
Current tax at 19.75% (2016:20%)	**(90)**	(66)
Effects of:		
Group relief surrendered	**90**	66
Adjust deferred tax to average rate of 19.75% (*2016: 20%*)	**2**	3
Deferred tax not recognised	**(2)**	(3)
	-	-

Factors affecting the future tax charge

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

Notes *(continued)*

6 Tangible fixed assets

	Computer equipment £000
Cost	
Balance at 1 July 2016 and 30 June 2017	7
Depreciation and impairment	
Balance at 1 July 2016 and 30 June 2017	6
Net book value	
At 1 July 2016 and 30 June 2017	1

7 Stock

	2017 £000	2016 £000
Work in progress	626	859
Development land	1,616	1,614
	2,242	2,473

8 Creditors: amounts falling due within one year

	2017 £000	2016 £000
Bank overdrafts	-	9
Trade creditors	24	1
Accruals and deferred income	8	5
Amounts due to group undertakings	4,510	4,300
	4,542	4,315

The amounts due to group undertakings are intercompany loans received from HIMOR Group Limited and HIMOR (Property) Limited. These balances are all repayable on demand and no interest is charged.

9 Share capital

	2017 £	2016 £
Authorised, allotted and called up		
Ordinary shares of £1 each (*2016: £1 each*)	1	1

Notes *(continued)*

10 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company is a wholly owned subsidiary of its parent undertaking, HIMOR Group Limited, a company registered in England and Wales and with the same registered address as that noted on page 2. On 11 October 2016 the entire share capital of HIMOR Group Limited was acquired by Wain Group Holdings Limited, a company registered in England and Wales with the same registered address as that noted on page 2. The ultimate controlling parties are Mr W Ainscough and Mr W F Ainscough, the majority shareholders of Wain Group Holdings Limited.

The largest and smallest group in which the results of the company are consolidated is that headed by Wain Group Holdings Limited. The financial statements of Wain Group Holdings Limited are available to the public and may be obtained from Companies House, Crown Way, Maindy, Cardiff.

11 Related parties

As a wholly owned subsidiary of HIMOR Group Limited, the company has taken advantage of the exemption contained in FRS 102.33.1A and has therefore not disclosed details of transactions or balances with other wholly owned subsidiaries which form part of the Group.

From 11 October 2016, HIMOR (Land) Limited has been a wholly owned subsidiary of Wain Group Holdings Limited and has taken advantage of the exemption in FRS 102.33.1A not to disclose details of transactions or balances with other wholly owned subsidiaries which form part of that group. There were no transactions with Wain Group Holdings Limited or any of its wholly owned subsidiaries, prior to 11 October 2016.

12 Accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not believe that there are any accounting policies that would be likely to produce materially different results should there be a change to the underlying judgements, estimates and assumptions.