

WILSON CONNOLLY HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Company number: 00832629

THURSDAY



A98XGU1C

A09 09/07/2020 #387

COMPANIES HOUSE

WILSON CONNOLLY HOLDINGS LIMITED

COMPANY INFORMATION

Directors	K E Hindmarsh M A Lonnon
Company Secretary	M A Lonnon
Registered number	00832629
Registered office	Gate House Turnpike Road High Wycombe Buckinghamshire HP12 3NR United Kingdom
Independent Auditor	Deloitte LLP Statutory Auditor London United Kingdom

WILSON CONNOLLY HOLDINGS LIMITED

CONTENTS

	Page
Directors' Report	2
Independent Auditor's Report	5
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

WILSON CONNOLLY HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The Directors present their Annual Report and the audited financial statements of Wilson Connolly Holdings Limited ("the Company") for the year ended 31 December 2019.

Principal activities and future developments

The Company's principal activity is to act as an intermediate holding company. The Company receives interest on intra-Group borrowings. The nature of the Company's activities are not expected to change in 2020 or for the foreseeable future.

Directors

The following Directors held office during the year and up to the date of the signing of this report:

C R Clapham	(Resigned 31 October 2019)
K E Hindmarsh	(Appointed 31 October 2019)
M A Lonnon	

No Director was materially interested during the year in any contract which was significant in relation to the business of the Company.

Going concern

The Company is indirectly dependent on Taylor Wimpey plc ("TW plc") to support the recoverability of its investments and intercompany receivables and the settlement of its liabilities and commitments.

The Directors of the Company have confirmed with TW plc that it will continue to provide the necessary financial support to the Company, for a period of at least 12 months from the date of approval of these financial statements.

TW plc is the ultimate parent of the Taylor Wimpey group ("the Group"). The Group is profitable and is in a strong financial position. In making this assessment the Group has considered the impact of the Covid-19 pandemic, including recent financial performance. This assessment has resulted in revisions to the Group's forecast of performance over the going concern period. When revised, these forecasts continue to demonstrate that the Group is able to provide financial support to the Company for a period of at least 12 months.

The Directors of the Company are of the view, at the time of approving the financial statements, that there is a reasonable expectation the Company will be able to remain in existence for at least 12 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Financial risk management and policies

The financial risk management objectives of the Company are to ensure that sufficient liquidity is maintained to meet its future obligations. The Company does not undertake speculative or trading activities in financial instruments. The Company operates within policies approved by the Board and these are equivalent to those of the Group.

Liquidity risk

Liquidity risk is the risk that the Company does not have sufficient financial resources available to meet its obligations as they fall due. At 31 December 2019, the Company is in a net current assets position and is indirectly dependent on TW plc to support the settlement of its liabilities and commitments. Liquidity risk is therefore managed by the confirmation from the Directors of TW plc that it will provide the necessary financial support to the Company.

WILSON CONNOLLY HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Credit risk

Credit risk is the risk of financial loss where counterparties are not able to meet their obligations. The Company is owed balances by its ultimate parent and other Group subsidiaries. Credit risk is managed by the confirmation from the Directors of TW plc that it will provide the necessary financial support to the Company. The Directors consider that TW plc have adequate resources in order to financially support the Company if required.

Qualifying third party indemnity provisions

Taylor Wimpey plc has granted indemnities in favour of the directors and officers of its Group subsidiary companies against financial exposure that they may incur in carrying out their duties (including the directors and officers of this company). These have been granted in accordance with section 234 of the Companies Act 2006. The qualifying third party indemnity was in force during the financial year and also at the date of the financial statements.

Directors' responsibilities statement

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), including FRS 101 "Reduced Disclosure Framework".

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; 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 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.

Auditor

Each person who is a Director at the date of approval of this report confirms that:

- so far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Re-appointment of Auditor

Deloitte LLP has indicated its willingness to be re-appointed as auditor for another term. Appropriate arrangements have been put in place for them to be deemed re-appointed as auditor in the absence of an annual general meeting.

WILSON CONNOLLY HOLDINGS LIMITED


DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

Small company provisions

This report has been prepared in accordance with the special provisions of section 415A of the Companies Act 2006 relating to small companies.

30 June 2020

This Directors' report was approved by the Board of Directors on /and is signed on its behalf by:



(M. A. Lonnon)

M A Lonnon
Company Secretary
Registered office:
Gate House
Turnpike Road
High Wycombe
Buckinghamshire
HP12 3NR
United Kingdom

Date: 30 June 2020

WILSON CONNOLLY HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILSON CONNOLLY HOLDINGS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Wilson Connolly Holdings Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity; and
- the related notes 1 to 16.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

WILSON CONNOLLY HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILSON CONNOLLY HOLDINGS LIMITED (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in respect of these matters.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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.

Auditor's 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 auditor's 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 auditor's report.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

WILSON CONNOLLY HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILSON CONNOLLY HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

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.



Dean Cook MA FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom
Date: 1 July 2020

WILSON CONNOLLY HOLDINGS LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 £'000	2018 £'000
Impairment of amounts due from Group undertakings		—	602
Other		—	5
Administrative expenses		(9)	(9)
Operating (loss)/profit		(9)	598
(Loss)/profit before interest and tax		(9)	598
Finance income	5	1,061	825
Finance costs	6	(76)	(76)
Profit before tax		976	1,347
Tax	7	—	—
Profit for the year		976	1,347
Other comprehensive result for the year net of tax		—	—
Total comprehensive income for the year		976	1,347

All the results reported above for both the current and prior year relate solely to continuing operations.


WILSON CONNOLLY HOLDINGS LIMITED

Company number: 00832629

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Note	2019 £'000	2018 £'000
Non-current assets			
Investments in subsidiary undertakings	8	<u>19,601</u>	<u>19,601</u>
		19,601	19,601
Current assets			
Trade and other receivables	9	<u>154,676</u>	<u>153,688</u>
Cash at bank and in hand		<u>9</u>	<u>21</u>
		154,685	153,709
Current liabilities			
Trade and other payables	10	<u>(32,829)</u>	<u>(32,829)</u>
		(32,829)	(32,829)
Net current assets		121,856	120,880
Total assets less current liabilities		141,457	140,481
Non-current liabilities			
Trade and other payables	10	<u>(781)</u>	<u>(781)</u>
Net assets		140,676	139,700
Capital and reserves			
Share capital	11	<u>52,350</u>	<u>52,350</u>
Share premium	12	<u>37,247</u>	<u>37,247</u>
Merger reserve	13	<u>8,754</u>	<u>8,754</u>
Retained earnings		<u>42,325</u>	<u>41,349</u>
Shareholders' funds		140,676	139,700

The financial statements of Wilson Connolly Holdings Limited (registered number: 00832629) were approved and authorised for issue by the Board of Directors and signed on its behalf by:



(U. A. Lonnon)

M A Lonnon
Director

Date 30 June 2020

WILSON CONNOLLY HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Share capital	Share premium	Merger reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2019	52,350	37,247	8,754	41,349	139,700
Profit for the year	—	—	—	976	976
Other comprehensive result for the year net of tax	—	—	—	—	—
Total comprehensive income for the year	—	—	—	976	976
Dividends paid	—	—	—	—	—
Total contributions by/ (distributions to) owners	—	—	—	—	—
Balance at 31 December 2019	52,350	37,247	8,754	42,325	140,676
Balance at 1 January 2018	52,350	37,247	8,754	40,002	138,353
Profit for the year	—	—	—	1,347	1,347
Other comprehensive result for the year net of tax	—	—	—	—	—
Total comprehensive income for the year	—	—	—	1,347	1,347
Dividends paid	—	—	—	—	—
Total contributions by/ (distributions to) owners	—	—	—	—	—
Balance at 31 December 2018	52,350	37,247	8,754	41,349	139,700

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting policies

General information and basis of preparation

The following accounting policies have been used consistently throughout the current and prior year.

Wilson Connolly Holdings Limited is a private company incorporated and domiciled in the United Kingdom. The Company is limited by shares. The Company is registered in England and Wales and its registered office is noted on page 4, its principal activities are noted on page 2.

The financial statements have been prepared under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The financial statements have been prepared in accordance with the Companies Act 2006 and Financial Reporting Standard 101 "FRS 101", "Reduced Disclosure Framework". The financial statements are prepared in pounds sterling, which is the functional currency of the Company and rounded to the nearest thousand pound.

The financial statements contain information about Wilson Connolly Holdings Limited as an individual company. 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 in the consolidated financial statements of its ultimate parent undertaking, Taylor Wimpey plc, a company registered in England and Wales. The Group financial statements of TW plc are available to the public and can be obtained as set out in note 15.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Going concern

The Company is indirectly dependent on Taylor Wimpey plc ("TW plc") to support the recoverability of its investments and intercompany receivables and the settlement of its liabilities and commitments.

The Directors of the Company have confirmed with TW plc that it will continue to provide the necessary financial support to the Company, for a period of at least 12 months from the date of approval of these financial statements.

TW plc is the ultimate parent of the Taylor Wimpey group ("the Group"). The Group is profitable and is in a strong financial position. In making this assessment the Group has considered the impact of the Covid-19 pandemic, including recent financial performance. This assessment has resulted in revisions to the Group's forecast of performance over the going concern period. When revised, these forecasts continue to demonstrate that the Group is able to provide financial support to the Company for a period of at least 12 months.

The Directors of the Company are of the view, at the time of approving the financial statements, that there is a reasonable expectation the Company will be able to remain in existence for at least 12 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Disclosure exemptions

As permitted by FRS 101 as a qualifying entity, the Company has taken advantage of the disclosure exemptions available under that standard in relation to share based payments, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and related party transactions. Where required, equivalent disclosures are given in the Group financial statements of Taylor Wimpey plc. The Group financial statements of Taylor Wimpey plc are available to the public and can be obtained as set out in note 15.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

1. Accounting policies (continued)

Adoption of new and revised standards of interpretation

The Company has adopted the following standards and amendments in the year, none of which had a material impact on the financial statements.

- IFRIC 23 'Uncertainty over income tax treatments';
- IAS 28 'Investments in Associates and Joint Ventures' (amendments) - long-term interests in associates and joint ventures;
- IAS 19 'Employee Benefits' (amendments) - plan amendment, curtailment or settlement; and
- Annual improvements to IFRSs 2015-2017 Cycle.

Finance income

Interest income is recognised in the statement of comprehensive income as incurred.

Finance costs

Finance costs relate to interest charged on preference shares held by the Company.

Investments in subsidiary undertakings

Investments are included in the balance sheet at cost less any provision for impairment. The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may not be recoverable. If any such indication of impairment exists, the Company makes an estimate of the recoverable amount of the investment. If the recoverable amount of an investment is less than the value of the investment, the investment is considered impaired and is written down to its recoverable amount. An impairment loss is expensed immediately. Where an impairment loss subsequently reverses, due to a change in circumstances or in the estimates used to determine the asset's recoverable amount, the carrying amount of the investments is increased to the revised estimate of its recoverable amount, so long as it does not exceed the the original carrying value prior to the impairment being recognised.

The Company values its investments in subsidiary holding companies based on a comparison between the net assets recoverable by the subsidiary company and the investments held. Where the net assets are lower than the investment an impairment is recorded. For trading subsidiaries, the investment carrying value in the Company is assessed against the net present value of the cash flows for the subsidiary.

Financial instruments

Financial assets and liabilities are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument. The below financial instruments are measured at amortised cost.

Trade and other receivables

Trade and other receivables are measured at amortised cost, less any loss allowance based on expected credit losses. The measurement of expected credit losses is based on the probability of default and the magnitude of the loss if there is a default. The assessment of probability of default is based on historical data adjusted for any known factors that would influence the future amount to be received in relation to the receivable.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

1. Accounting policies (continued)

Financial instruments (continued)

Trade and other payables

Trade payables on normal terms are not interest bearing and are stated at their nominal value. Trade payables on extended terms, particularly in respect of land, are recorded initially at the fair value at the date of acquisition of the asset to which they relate and then subsequently at amortised cost. The discount to nominal value is amortised over the period of the credit term and charged to finance costs.

Group receivables

Amounts receivable from Group undertakings are stated at their nominal value.

Group payables

Amounts payable to Group undertakings are stated at their nominal value.

Preference shares

Preference shares which are irredeemable and have contractual rights to dividends are classified as liabilities. The dividends on these preference shares are taken to the Statement of Comprehensive Income as finance expense.

Tax

The tax charge represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using corporation tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Any liability or credit in respect of group relief in lieu of current tax is also calculated on the same basis unless a different rate (including a nil rate) has been agreed within the Group.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are also recognised for taxable temporary differences arising on investments in subsidiaries and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is calculated, on a non-discounted basis, at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted by the Statement of Financial Position date.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

1. Accounting policies (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is charged or credited in the Statement of Comprehensive income, except when it relates to items charged or credited directly to other comprehensive income or equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

2. Key sources of estimation uncertainty and critical accounting judgements

Preparation of the financial statements requires management to make judgements that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Management consider that there are no material areas of estimation uncertainty or critical accounting judgements to be made in the preparation of these financial statements.

3. Audit fees

	2019 £'000	2018 £'000
Fee payable to the Company's auditor for the audit of the Company's annual financial statements	<u>1</u>	<u>1</u>

Audit fees were borne by another Group company and were not recharged. Fees paid to the Company's auditor for other, non-audit services were £nil (2018: £nil).

4. Employees and Directors

The Company did not employ any persons during the year (2018: none).

Directors' remuneration and benefits paid by the Company in the year amounted to £nil (2018: £nil). Directors are not remunerated for qualifying services provided to the Company. All Directors' emoluments are borne by a fellow Group company and have not been recharged.

5. Finance income

	2019 £'000	2018 £'000
Interest received on loans with ultimate parent	<u>1,061</u>	<u>825</u>
	<u>1,061</u>	<u>825</u>

6. Finance costs

	2019 £'000	2018 £'000
8% £1 cumulative irredeemable 1st preference shares	20	20
10.5% £1 cumulative irredeemable 2nd preference shares	56	56
	<u>76</u>	<u>76</u>

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

7. Tax

	2019	2018
	£'000	£'000
Current tax charge		
UK corporation tax on profits of the year	—	—
Deferred tax charge		
Current deferred tax	—	—
Tax on profit	<u>—</u>	<u>—</u>

The standard rate of current tax for the year, based on the weighted average of the UK standard rate of corporation tax is 19% (2018: 19%).

The tax charge for the year can be reconciled as follows:

	2019	2018
	£'000	£'000
Profit before tax	<u>976</u>	<u>1,347</u>
Standard rate of corporation tax of 19% (2018: 19%)	185	256
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	14	14
Tax effect of income that is not taxable in determining taxable profit	—	(114)
Group relief claimed for no payment	(199)	(156)
Total tax charge	<u>—</u>	<u>—</u>

Finance Act 2016 introduced legislation to reduce the main rate of corporation tax to 17% from 1 April 2020 and these rates have therefore been used to measure deferred tax assets and liabilities where applicable. Following the Budget on 11 March 2020, the current rate of corporation tax of 19% will continue to be effective for periods from 1 April 2020.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

8. Investments in subsidiary undertakings

	£'000
Cost	
At 1 January 2019	19,601
Additions	—
Disposals	—
At 31 December 2019	<u>19,601</u>
Impairment	
At 1 January 2019	—
Additions	—
Disposals	—
At 31 December 2019	<u>—</u>
Net book value	
At 31 December 2019	<u>19,601</u>
At 31 December 2018	<u>19,601</u>

In the opinion of the Directors the value of the Company's investments in its subsidiary undertakings is not less than the amount at which it is stated in the Statement of Financial Position.

The subsidiary undertakings of the Company are listed under note 14.

9. Trade and other receivables

	Current	
	2019	2018
	£'000	£'000
Amounts owed by parent	141,958	140,997
Amounts owed by fellow Group subsidiaries	12,718	12,691
	<u>154,676</u>	<u>153,688</u>

Amounts owed by the parent and by fellow Group subsidiaries are unsecured, are repayable on demand and have no fixed repayment dates. The amount owed by the ultimate parent bears interest at a rate of 0.75% (2018: 0.50%). Amounts owed by fellow Group subsidiaries are non-interest bearing.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

10. Trade and other payables

	Current		Non-current	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Trade payables	4	14	—	—
Amounts owed to fellow Group subsidiaries	32,825	32,815	—	—
Shares which do not carry voting rights:				
249,882 (2018: 249,882) 8% cumulative irredeemable 1st preference shares of £1 each	—	—	250	250
531,001 (2018: 531,001) 10.5% cumulative irredeemable 2nd preference shares of £1 each	—	—	531	531
	<u>32,829</u>	<u>32,829</u>	<u>781</u>	<u>781</u>

Amounts owed to fellow Group subsidiaries are unsecured, non-interest bearing and are repayable on demand.

11. Share capital

	2019	2018
	£'000	£'000
Authorised:		
232,871,964 (2018: 232,871,964) ordinary shares of £0.25 each	<u>58,218</u>	<u>58,218</u>
Allotted, called-up and fully paid:		
209,398,641 (2018: 209,398,641) ordinary shares of £0.25 each	<u>52,350</u>	<u>52,350</u>

12. Share premium

	2019	2018
	£'000	£'000
Share premium	<u>37,247</u>	<u>37,247</u>

13. Merger reserve

	2019	2018
	£'000	£'000
Merger reserve	8,754	8,754

This reserve was created on the acquisition of the London and Clydeside Group in 1995.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

14. Details of investments

The following were direct subsidiary undertakings of the Company at the Statement of Financial Position Date:

Name	Class of shares	Holding	Principal activity
London and Clydeside Holdings Limited	Ordinary	100%	Dormant
Prestoplan Limited	Ordinary	100%	House building
The Wilson Connolly Employee Benefit Trust Limited	Ordinary	100%	Dormant
Wilson Connolly Quest Limited	Ordinary	100%	Dormant
Wilson Connolly Limited	Ordinary	100%	Holding company
Wilson Connolly Investments Limited	Ordinary	100%	Dormant
Wilson Connolly Properties Limited	Ordinary	100%	Dormant
Wilcon Lifestyle Homes Limited	Ordinary	100%	Settlement of maintenance charges on sheltered housing units

The registered office of all the above subsidiaries is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom with the following exception:

The registered office of London and Clydeside Holdings Limited is Unit C, Ground Floor, Cirrus, Glasgow Airport Business Park, Marchburn Drive, Abbotsinch, Paisley, PA3 2SJ, United Kingdom.

The Company has a 100% interest in the ordinary share capital in the following indirect subsidiary undertakings of the Company:

Name	Name
London and Clydeside Estates Limited	Whelmar (Developments) Limited
McLean TW No.2 Limited (formerly Harrock Limited)	Whelmar (Lancashire) Limited
McLean TW Limited (formerly Wainhomes Limited)	Wilcon Homes Anglia Limited
McLean TW Estates Limited (formerly Wain Estates Limited)	Wilcon Homes Eastern Limited
McLean TW (Chester) Limited (formerly Wainhomes (Chester) Limited)	Wilcon Homes Midlands Limited
McLean TW (Northern) Limited (formerly Wainhomes (Northern) Limited)	Wilcon Homes Northern Limited
McLean TW (Southern) Limited (formerly Wainhomes (Southern) Limited)	Wilcon Homes Scotland Limited
McLean TW (Yorkshire) Limited (formerly Wainhomes (Yorkshire) Limited)	Wilcon Homes Southern Limited
McLean TW Group Limited (formerly Wainhomes Group Limited)	Wilcon Homes Western Limited
Whelmar (North Wales) Limited	McLean TW Holdings Limited (formerly Wainhomes Holdings Limited)
Whelmar (Chester) Limited	Leawood Management Company Limited

All of the above companies were dormant.

WILSON CONNOLLY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019 (continued)

14. Details of investments (continued)

The Company also had a 33.30% indirect interest in the ordinary share capital of Paycause Limited, a private company whose principal activity was land development.

The registered office of all the above companies is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom with the following exceptions:

The registered office of Wilcon Homes Scotland Limited and London and Clydeside Estates Limited is Unit C, Ground Floor, Cirrus, Glasgow Airport Business Park, Marchburn Drive, Abbotsinch, Paisley, PA3 2SJ, United Kingdom.

15. Controlling parties

The immediate parent undertaking is Taylor Wimpey plc.

The Company's ultimate parent undertaking and controlling party is Taylor Wimpey plc, a company incorporated in the United Kingdom. Taylor Wimpey plc is the parent of the smallest and largest group for which consolidated financial statements are prepared and of which the Company is a member. Taylor Wimpey plc's registered office is Gate House, Turnpike Road, High Wycombe, Buckinghamshire, HP12 3NR, United Kingdom.

Copies of the Group financial statements, which include the Company and its subsidiaries, are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

16. Post balance sheet events

COVID-19 pandemic

Closure of sites

Subsequent to the year-end date the Group was impacted by the Covid-19 pandemic. As announced on 24 March 2020, Taylor Wimpey took the decision to close the Group's show homes, sales centres, and construction sites across the UK to help prevent the spread of COVID-19. The health and safety of the Group's customers, employees and subcontractors is our number one priority and, following Government advice in March, we considered that the closure of these sites was an appropriate response. As at that date corresponding measures were taken to manage the liquidity of the Group and to conserve cash in the best interests of the long term sustainability of the business. In May 2020 we began a phased return to construction based on detailed new site operating protocols developed to comply with strict social distancing requirements. Towards the end of May 2020 we also started a phased reopening of sales centres and show homes following updated Government guidance. During the period that sites were closed the Group continued to complete house sales and take new reservations.

Asset valuation

We have considered whether any of the assets that the Company holds have been subject to a material diminution in value. We do not believe that the short-term closure of the sites materially changes the value of any of the Group's assets. We consider this assessment to apply to all receivables, and investments in subsidiaries and joint ventures.