

WH Ireland Group plc
Interim financial statements
for the period 1 December 2008 to 31 December 2008

Company Registered Number: 03870190

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WH Ireland Group plc

**Company income statement
for the period ended 31 December 2008**

	Period ended 31 December 2008 £'000
Revenue	2,614
Administrative expenses	(98)
Operating profit	2,516
Fair value (losses) / gains on investments	(10)
Impairment losses on available-for-sale investments	(16)
Finance income	1
Profit before taxation	2,491
Taxation	(765)
Profit after taxation	1,726

WH Ireland Group plc

**Company statement of recognised income and expense
For period ended 31 December 2008**

	Period ended 31 December 2008 €'000
Net change in fair value of available-for-sale financial assets transferred to profit or loss	(3)
Net (expenses) / Income recognised directly in equity	(3)
Profit for the year	1,726
Total recognised income and expense for the year	1,723


WH Ireland Group plc

Company balance sheet As at 31 December 2008

	31 December 2008 £'000s
ASSETS	
Non-current assets	
Property, plant and equipment	1
Subsidiaries	4,590
Associates	1,312
Investments	343
Loan notes receivable	310
Deferred tax asset	40
Subordinated Loan	750
	<u>7,346</u>
Current assets	
Trade and other receivables	7,036
Cash and cash equivalents	1
	<u>7,037</u>
Total assets	<u>14,383</u>
LIABILITIES	
Current liabilities	
Trade and other payables	(441)
Corporation Tax Provision	(765)
Bank overdraft	(2,025)
Borrowings	(508)
	<u>(3,739)</u>
Non-current liabilities	
Borrowings	(2,747)
Accruals and deferred income	(121)
Liability for put and call options	(184)
	<u>(3,052)</u>
Total liabilities	<u>(6,791)</u>
Total net assets	<u>7,592</u>
EQUITY	
Share capital	1,054
Share premium	5,633
Available-for-sale reserve	(164)
Other reserves	719
Retained earnings	637
Treasury shares	(287)
Total equity	<u>7,592</u>

These financial statements were approved by the Board of Directors on 23 April 2009 and were signed on its behalf by:


Rupert Love
Director


Richard Ford
Director

WH Ireland Group plc

Notes to the interim financial statements for the period ended 31 December 2008

1. Basis of Preparation

These accounts have been prepared by the directors in accordance with section 838 of the Companies Act 2006 to support a proposed distribution. Accordingly, their sole purpose is to enable a reasonable judgement to be made of the amount available for distribution by the company.

The interim financial statements of the company have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union ("IFRS"), to the extent that the IFRS relate to measurement of items in the financial statements but not in respect of presentation and disclosure of these items. Disclosure is provided only in respect of items considered material to a distribution. The interim financial statements have been prepared for the express purpose of determining distributable reserves.

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as fair value through the profit or loss or as available-for-sale. Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.

Investments

Investments in subsidiaries are stated in the balance sheet at cost less provisions for impairment.

Available-for-sale investments are investments designated as such on initial recognition or those that do not qualify to be classified in another category. They include equity investments, other than those in subsidiary undertakings.

After initial measurement, available-for-sale investments are subsequently measured at fair value. In the case of listed investments, the fair value represents the quoted bid price of the investment at the balance sheet date. The fair value of unlisted investments is estimated by reference to recent arm's length transactions.

Unrealised gains and losses are recognised directly in equity in the 'available-for sale reserve'. When an available-for-sale financial asset is disposed of, the cumulative gain or loss previously recognised in equity is recognised in the income statement in 'profit on disposal of available-for-sale investments'. Losses arising from impairment are recognised in the income statement in 'impairment losses on financial assets' and removed from the available-for-sale reserve.

Associates

Associates are those entities in which the company has significant influence but not control over their financial and operating policies. The interim financial statements show investments in associates at cost less impairment.

Loan notes receivable

The loan notes were issued on 28 February 2008 by James Baxter Capital Management Limited in the form of £310,000 Unsecured Convertible Loan Notes 2008 – 2013. The notes will be redeemed as follows:

27 February 2011	£100,000
27 February 2012	£100,000
27 February 2013	£110,000

Loan notes are initially recognised as a financial asset at the fair value of the amount paid. Subsequent to initial recognition, loan notes are measured at amortised cost using the effective interest method.

The loan notes have derivative features embedded within them. Where the economic characteristics and risks of the embedded derivative are not closely related to those of the host instrument, and where changes in value on the host instrument are not reflected in the income statement the embedded derivative is separated from the host and carried in the balance sheets at fair value within 'derivative financial instruments', with gains and losses on the embedded derivative being recognised in the income statement in 'fair value movements'. At 31 December 2008 the embedded derivative was immaterial.

Financial liabilities

Bank loans and loan notes are initially recognised as financial liabilities at the fair value of the consideration received. Subsequent to initial recognition, bank loans and loan notes are measured at amortised cost using the effective interest method.

WH Ireland Group plc

Notes to the interim financial statements for the period ended 31 December 2008 continued

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Treasury shares

The treasury shares in the Employee Benefit Trust (the "Trust") are held in the name of WH Ireland Trustees Limited. WH Ireland Group plc is the sponsoring company of the Trust.

2. Trade and other receivables

	31 December 2008 £
Amounts due from group companies	6,401,007
Amount due from shareholders	607,000
Prepayments and accrued income	27,843
	<u>7,035,850</u>

Amounts due from shareholders relate to dividends paid during the financial year ended 30 November 2008 which were higher in value than the distributable profits at the time. A Resolution in the Notice of the Annual General Meeting seeks to rectify this technical breach by ratifying the appropriation of distributable profits to the payment of that dividend and waiving any claims which the Company may have against shareholders or the Directors arising out of this breach.