

Registration number 02761896

Carillion Richardson Developments Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2010

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Carillion Richardson Developments Limited
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Carillion Richardson Developments Limited
Directors' Report for the Year Ended 31 December 2010

The directors present their report and the financial statements for the year ended 31 December 2010

Directors of the company

The directors who held office during the year were as follows

S P Eastwood

M F Richardson

L S Richardson

C A Richardson

R J Adam

Principal activity

The principal activity of the company is that of a property investment company

Business review

Fair review of the business

The directors consider that the results for the year and the financial position at the end of the year were satisfactory

The results for the company are set out in the financial statements

The directors do not recommend the payment of a dividend (2009 £Nil)

Principal risks and uncertainties

There are no significant risks or uncertainties affecting the company

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Approved by the Board on 5 September 2011 and signed on its behalf by



M F Richardson
Director

Carillion Richardson Developments Limited

Statement of Directors' Responsibilities

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 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). 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 apply them consistently,
- make judgements and accounting 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, 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.

Independent Auditor's Report to the Members of Carillion Richardson Developments Limited

We have audited the financial statements of Carillion Richardson Developments Limited for the year ended 31 December 2010, set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 auditors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 2), 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 (APB'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 APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom 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
Carillion Richardson Developments Limited**

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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

Wayne Cox (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditors
Chartered Accountants
One Snowhill
Snow Hill Queensway
B4 6GH

5 September 2011

Carillion Richardson Developments Limited
Profit and Loss Account for the Year Ended 31 December 2010

	Note	2010 £	2009 £
Turnover		-	-
Cost of sales		-	-
Gross profit/(loss)		-	-
Administrative expenses		(1,000)	(1,000)
Operating loss		(1,000)	(1,000)
Loss on ordinary activities before investment income and interest		(1,000)	(1,000)
Other interest receivable and similar income	4	391,078	1,243,851
Interest payable and similar charges	5	(181,935)	(231,223)
Profit on ordinary activities before taxation		208,143	1,011,628
Tax on profit or loss on ordinary activities	6	(59,256)	(283,391)
Profit for the financial year		<u>148,887</u>	<u>728,237</u>

Turnover and operating profit derive wholly from continuing operations

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

There is no material difference between the result reported above and the result on an unmodified historical cost basis

A reconciliation of movement on reserves is shown in note 11

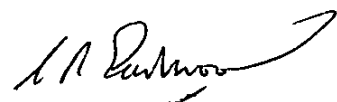
Carillion Richardson Developments Limited

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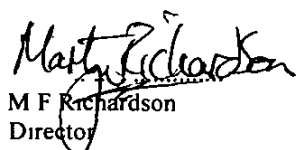
Balance Sheet at 31 December 2010

		2010	2009
	Note	£	£
Current assets			
Debtors	7	15,931,973	15,540,895
Cash at bank and in hand		178	178
		<u>15,932,151</u>	<u>15,541,073</u>
Creditors Amounts falling due within one year	8	(12,885,057)	(12,642,866)
Net assets		<u>3,047,094</u>	<u>2,898,207</u>
Capital and reserves			
Called up share capital	9	50,000	50,000
Profit and loss account	11	<u>2,997,094</u>	<u>2,848,207</u>
		<u>3,047,094</u>	<u>2,898,207</u>

Approved by the Board on 5 September 2011 and signed on its behalf by



S P Eastwood
Director



M F Richardson
Director

The notes on pages 7 to 12 form an integral part of these financial statements

Carillion Richardson Developments Limited
Notes to the Financial Statements for the Year Ended 31 December 2010

1 Accounting policies

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

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

Due to the nature of the company's business, the directors do not believe that the company has different classes of business as defined by SSAP 25. Accordingly, the additional disclosures set out in SSAP 25 are not considered to be required

Going concern

The financial statements have been prepared on a going concern basis and the Directors' consider there are no material uncertainties that would alter this

Taxation

The charge for taxation is based on the profit for the year 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 timing differences which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 and is provided if material in value. A deferred tax asset in respect of losses is not created until it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currency

Profit and loss account transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the profit and loss account.

2 Auditor's remuneration

	2010 £	2009 £
Audit of the financial statements	<u>1,000</u>	<u>1,000</u>

Auditors' other services

Amounts receivable by the Company's auditors and their associates in respect of services to the company and its associates other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Swiftfire Limited.

Carillion Richardson Developments Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

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3 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2010 No.	2009 No.
Directors	<u>5</u>	<u>5</u>

No emoluments were paid to the directors during the year (2009- £Nil)

Other than the directors, the company had no employees during the year (2009 - Nil)

4 Other interest receivable and similar income

	2010 £	2009 £
Interest from related undertakings	391,078	520,603
Foreign exchange gain	<u>-</u>	<u>723,248</u>
	<u>391,078</u>	<u>1,243,851</u>

5 Interest payable and similar charges

	2010 £	2009 £
Interest on bank borrowings	179,941	231,223
Other interest payable	<u>1,994</u>	<u>-</u>
	<u>181,935</u>	<u>231,223</u>

Carillion Richardson Developments Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

6 Taxation

Tax on profit on ordinary activities

	2010	2009
	£	£
Current tax		
Corporation tax charge	60,000	284,000
Adjustments in respect of previous years	<u>(744)</u>	<u>(609)</u>
UK Corporation tax	<u><u>59,256</u></u>	<u><u>283,391</u></u>

Factors affecting current tax charge for the year

Tax on profit on ordinary activities for the year is higher than (2009 - higher than) the standard rate of corporation tax in the UK of 28% (2009 - 28%).

The differences are reconciled below

	2010	2009
	£	£
Profit on ordinary activities before taxation	<u>208,143</u>	<u>1,011,628</u>
Corporation tax at standard rate	<u>58,280</u>	<u>283,256</u>
Adjustments in respect of prior years	(744)	(609)
Other adjustments	<u>1,720</u>	<u>744</u>
Total current tax	<u><u>59,256</u></u>	<u><u>283,391</u></u>

Factors that may affect future tax charges

The 2011 Budget on 23 March 2011 announced that the UK corporation tax rate will reduce to 23% over a period of 4 years from 2011. The first reduction in the UK corporation tax rate from 28% to 27% (effective from 1 April 2011) was substantively enacted on 20 July 2010, and further reductions to 26% (effective from 1 April 2011) and 25% (effective from 1 April 2012) were substantively enacted on 29 March 2011 and 5 July 2011 respectively.

This will reduce the company's future current tax charge accordingly and further reduce any deferred tax asset or liability at 31 December 2010 (which has been calculated based on the rate of 27% substantively enacted at the balance sheet date).

It has not yet been possible to quantify the full anticipated effect of the announced further 2% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset or liability accordingly.

Carillion Richardson Developments Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

7 Debtors

	2010	2009
	£	£
Amounts owed by related undertakings	15,931,973	15,540,895
	<u>15,931,973</u>	<u>15,540,895</u>

8 Creditors: Amounts falling due within one year

	2010	2009
	£	£
Corporation tax	201,628	486,686
Other creditors	1,000	1,000
Amounts owed to related undertakings	1,027,886	680,579
Bank loan	11,654,543	11,474,601
	<u>12,885,057</u>	<u>12,642,866</u>

Interest on the bank loan was rolled up until repayment at a rate of LIBOR plus 1% The loan was repaid in March 2011

The loan was secured by a floating charge over the assets of the company

9 Share capital

Allotted, called up and fully paid shares

	2010		2009	
	No.	£	No.	£
Ordinary shares of £1 00 each	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>

10 Reconciliation of movement in shareholders' funds

	2010	2009
	£	£
Profit attributable to the members of the company	148,887	728,237
Net addition to shareholders' funds	148,887	728,237
Shareholders' funds at 1 January	2,898,207	2,169,970
Shareholders' funds at 31 December	<u>3,047,094</u>	<u>2,898,207</u>

Carillion Richardson Developments Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

..... *continued*

11 Reserves

	Profit and loss account £	Total £
At 1 January 2010	2,848,207	2,848,207
Profit for the year	148,887	148,887
At 31 December 2010	<u>2,997,094</u>	<u>2,997,094</u>

12 Related party transactions

At 31 December 2010, the company was jointly owned by Swiftfire Limited ("Swiftfire") and Carillion plc ("Carillion")

Ranada Inc ("Ranada"), Ontario Ventures Limited ("Ontario") and Spirepoint Limited ("Spirepoint") are subsidiaries of Swiftfire Limited. Carillion JM Limited ("Carillion JM") and Planned Maintenance Engineering Limited ("Planned Maintenance") are subsidiaries of Carillion plc

Movements on related company debtors in the year are as follows:

	Carillion £	Carillion £	Ranada £	Ontario £	Total £
Amounts owed at 1 January 2010	7,767,894	-	7,773,001	-	15,540,895
Repaid in the year (CAD\$ loan)	(7,773,001)	-	(7,773,001)	-	(15,546,002)
Advanced in the year	-	7,773,001	-	7,773,001	15,546,002
Interest charged	-	195,539	-	195,539	391,078
Amounts owed at 31 December 2010	<u>(5,107)</u>	<u>7,968,540</u>	<u>-</u>	<u>7,968,540</u>	<u>15,931,973</u>

Movements in related company creditors are as follows:

	Planned Maintenance £	Carillion JM £	Carillion £	Spirepoint £	Total £
Amounts due at 1 January 2010	(202,705)	(236,459)	-	(241,415)	(680,579)
Consortium relief	-	-	(141,628)	-	(141,628)
Amounts received	-	-	-	(205,679)	(205,679)
Amounts due 31 December 2010	<u>(202,705)</u>	<u>(236,459)</u>	<u>(141,628)</u>	<u>(447,094)</u>	<u>(1,027,886)</u>

Carillion Richardson Developments Limited

Notes to the Financial Statements for the Year Ended 31 December 2010

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13 Control

During the year, and until 21 July 2011, the company was controlled jointly by Swiftfire Limited and Carillion plc (both incorporated in England and Wales). From 21 July 2011 to 18 August 2011, following a restructuring, the company was controlled jointly by Sharpshill Development Limited and Carillion plc (both incorporated in England and Wales). Since a further restructuring on 18 August 2011, the company has been controlled jointly by Grafhill SARL (incorporated in Luxembourg) and Carillion plc (incorporated in England and Wales).

The groups in which the results of the company for the year ended 31 December 2010 are consolidated are those headed by Swiftfire Limited and Carillion plc. The consolidated financial statements of the groups are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.