

Company Registration No 03508173 (England and Wales)

COLAS RAIL SERVICES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011



COLAS RAIL SERVICES LIMITED

COMPANY INFORMATION

Directors	J Bertrand C Giral
Secretary	J Quinnell
Company number	03508173
Registered office	Dacre House 19 Dacre Street London SW1H 0DJ
Auditors	McBrides Accountants LLP Nexus House 2 Cray Road Sidcup Kent DA14 5DA
Bankers	Credit Agricole Corporate and Investment Bank Broadwalk House 5 Appold St London EC2A 2JP

COLAS RAIL SERVICES LIMITED

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COLAS RAIL SERVICES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2011

The directors present their report and financial statements for the year ended 31 December 2011

Principal activities and review of the business

The principal activity of the company continued to be that of providing engineering consultancy on railway construction

On 29 March 2010, as part of a group restructuring program, the company sold its shareholding in Colas Rail Systems Ltd to Colas Rail Holdings Limited, a company which is incorporated in England and Wales and is wholly owned by Colas Rail SA the immediate parent company of Colas Rail Services Limited. The consideration was £1,000,000. The intercompany debt was waived on the same day.

On 1 September 2011 the company ceased trading and no further trading activity is anticipated in the company. The financial statements have therefore not been prepared on the going concern basis and adjustments have been made where appropriate to write down the company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date.

Principal risks and uncertainties

The company operates a treasury function which is responsible for managing the liquidity, interest and foreign currency risks associated with its activities.

The company has various financial assets and liabilities such as trade debtors and trade creditors arising directly from operations.

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring it has sufficient liquid resources to meet the operating needs of the business.

The company's principal foreign currency exposures arise from balances with other group companies.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 January 2011:

J Bertrand

B Troise

C Giral

(Resigned 4 January 2012)

COLAS RAIL SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2011

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

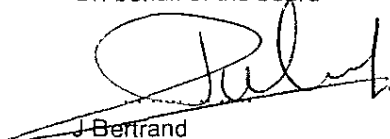
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



J. Bertrand

Director

10 December 2012

COLAS RAIL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF COLAS RAIL SERVICES LIMITED

We have audited the financial statements of Colas Rail Services Limited for the year ended 31 December 2011 set out on pages 5 to 10. 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 auditors' 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 Directors' Responsibilities Statement set out on pages 1 - 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 Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2011 and of its loss 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.

Emphasis of matter

Without qualifying our opinion, we draw your attention to Note 1 of the financial statements, which explains that the company ceased trading during the year and therefore the financial statements have not been prepared on a going concern basis.

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.

COLAS RAIL SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF COLAS RAIL SERVICES LIMITED

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, or

McBrides Accountants LLP

Andrew Warren (Senior Statutory Auditor)
for and on behalf of McBrides Accountants LLP

17 December 2012

Chartered Accountants
Statutory Auditor

Nexus House
2 Cray Road
Sidcup
Kent
DA14 5DA

COLAS RAIL SERVICES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 £	2010 £
Turnover	2	131,670	200,610
Cost of sales		(120,735)	(177,616)
Gross profit		10,935	22,994
Administrative expenses		(19,256)	(24,677)
Operating loss	3	(8,321)	(1,683)
Intercompany balance written off	3	-	(1,000,000)
Loss on ordinary activities before interest		(8,321)	(1,001,683)
Interest payable and similar charges	4	(18,444)	(17,301)
Loss on ordinary activities before taxation		(26,765)	(1,018,984)
Tax on loss on ordinary activities	5	304	-
Loss for the year	9	(26,461)	(1,018,984)

The profit and loss account has been prepared on the basis that all operations are continuing operations per the definition of FRS 3 Reporting Financial Performance, however, as noted in note 1 all activities ceased on 1 September 2011

There are no recognised gains and losses other than those passing through the profit and loss account

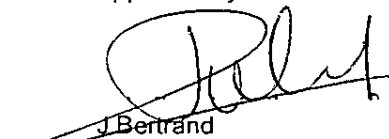
COLAS RAIL SERVICES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2011

	Notes	2011 £	£	2010 £	£
Current assets					
Debtors	6	-		19,826	
Cash at bank and in hand		2,778		22,253	
		<u>2,778</u>		<u>42,079</u>	
Creditors amounts falling due within one year	7	(688,853)		(701,693)	
Total assets less current liabilities			<u>(686,075)</u>		<u>(659,614)</u>
Capital and reserves					
Called up share capital	8	10,000		10,000	
Profit and loss account	9	(696,075)		(669,614)	
Shareholders' funds	10		<u>(686,075)</u>		<u>(659,614)</u>

Approved by the Board and authorised for issue on 10 December 2012


J Bertrand
Director

Company Registration No 03508173

COLAS RAIL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The financial statements have not been prepared on the going concern basis, as the company ceased trading on 1 September 2011, hence adjustments have been made where appropriate to write down the company's assets to net realisable value. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating loss	2011 £	2010 £
Operating loss is stated after charging		
Loss on foreign exchange transactions	5,141	479
Auditors' remuneration	2,500	5,475

COLAS RAIL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2011

4	Interest payable	2011	2010
		£	£
	On amounts payable to group companies	18,444	17,301
		<u> </u>	<u> </u>
5	Taxation	2011	2010
		£	£
	Domestic current year tax		
	Adjustment for prior years	(304)	-
		<u> </u>	<u> </u>
	Total current tax	<u>(304)</u>	<u>-</u>
	Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	(26,765)	(1,018,984)
		<u> </u>	<u> </u>
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.00% (2010 - 26.50%)	(6,959)	(270,031)
		<u> </u>	<u> </u>
	Effects of		
	Non deductible expenses	-	265,000
	Losses carried forward	6,959	5,031
	Adjustment for prior years	(304)	-
		<u> </u>	<u> </u>
		6,655	270,031
		<u> </u>	<u> </u>
	Current tax charge for the year	<u>(304)</u>	<u>-</u>

The company has unutilised tax losses of £274,650 (2010: £247,885) available for carry forward

6	Debtors	2011	2010
		£	£
	Amounts owed by parent and fellow subsidiary undertakings	-	15,926
	Other debtors	-	3,900
		<u> </u>	<u> </u>
		-	19,826
		<u> </u>	<u> </u>

COLAS RAIL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2011

7	Creditors amounts falling due within one year	2011	2010
		£	£
	Amounts owed to parent undertakings	683,913	677,008
	Corporation tax	-	304
	Other taxes and social security costs	-	13,224
	Accruals and deferred income	4,940	11,157
		<u>688,853</u>	<u>701,693</u>
8	Share capital	2011	2010
		£	£
	Allotted, called up and fully paid		
	10,000 Ordinary of £1 each	<u>10,000</u>	<u>10,000</u>
9	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 January 2011		(669,614)
	Loss for the year		<u>(26,461)</u>
	Balance at 31 December 2011		<u>(696,075)</u>
10	Reconciliation of movements in shareholders' funds	2011	2010
		£	£
	Loss for the financial year	(26,461)	(1,018,984)
	Opening shareholders' funds	<u>(659,614)</u>	<u>359,370</u>
	Closing shareholders' funds	<u>(686,075)</u>	<u>(659,614)</u>

COLAS RAIL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2011

11 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2011 Number	2010 Number
Operations and management	4	4

Employment costs

	2011 £	2010 £
Wages and salaries	110,079	154,908
Social security costs	14,280	20,962
	124,359	175,870

12 Related party relationships and transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company

13 Control

The company's immediate parent company is Colas Rail SA a company incorporated in France. The company prepares group accounts which can be obtained from

Colas Rail SA
44, Rue Jean Mermoz
78600
Maisons-Laffitte
France

The ultimate parent company is Bouygues SA, a company incorporated in France