

Company Registration Number 04018937

COWLIN GROUP LIMITED

Annual Report and Financial Statements

For the year ended 31 December 2011



COWLIN GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

CONTENTS

	Page
Officers and professional advisers	1
Directors' report	2
Directors' responsibilities statement	4
Independent auditor's report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8

COWLIN GROUP LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

R Clark
D Knox
G Taylor
D B Stockham
D J Harris
A J Parker
H W Townley

SECRETARY

G Taylor

REGISTERED OFFICE

Stratton House
Cater Road
Bishopsworth
Bristol
BS13 7UH

AUDITOR

Deloitte LLP
Glasgow, United Kingdom

COWLIN GROUP LIMITED

DIRECTORS' REPORT

The directors present their annual report on the affairs of the company, together with financial statements and auditor's report for the year ended 31 December 2011. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

PRINCIPAL ACTIVITY

The company's principal activity is to act as a holding company.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

RESULTS

The result for the year is set out in the profit and loss account on page 6.

DIRECTORS

The directors of the company, who served during the year and up to the date of this report were:

R Clark
D Knox
N A Sherreard (Resigned 1 July 2011)
G Taylor
D B Stockham
D J Harris
A J Parker
H W Townley

COWLIN GROUP LIMITED

DIRECTORS' REPORT (continued)

AUDITOR

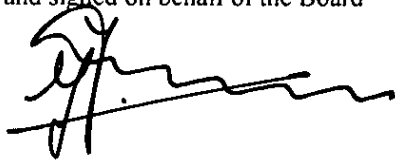
Each of the persons who is a director at the date of approval of this report confirms that

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves 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 s418 of the Companies Act 2006

A resolution to reappoint Deloitte LLP as the company's auditor will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to be 'Graeme Taylor', written over a horizontal line.

GRAEME TAYLOR
Director

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). 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COWLIN GROUP LIMITED

We have audited the financial statements of Cowlin Group Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 15. 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 auditor

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. 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 annual 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.

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.

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
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report.



Colin Gibson CA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Glasgow, United Kingdom
15 August 2012

COWLIN GROUP LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2011

	Note	2011 £	2010 £
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	-	-
Tax on profit on ordinary activities	5	(29,183)	(1,017)
LOSS FOR THE FINANCIAL YEAR	12	(29,183)	(1,017)

All results derive from continuing operations

The company has no recognised gains and losses other than the loss for the current and preceding year. Accordingly, no separate statement of total recognised gains and losses has been prepared.

COWLIN GROUP LIMITED

BALANCE SHEET
At 31 December 2011

	Note	2011	2010
		£	£
FIXED ASSETS			
Investments	6	2,383,304	2,383,304
CURRENT ASSETS			
Debtors	7	2,740,000	2,769,183
CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR	8	(129,812)	(129,812)
NET CURRENT ASSETS		<u>2,610,188</u>	<u>2,639,371</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,993,492	5,022,675
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	9	(53,000)	(53,000)
NET ASSETS		<u>4,940,492</u>	<u>4,969,675</u>
CAPITAL AND RESERVES			
Called up share capital	11	1,739,588	1,739,588
Share premium account		36,570	36,570
Capital redemption reserve		739,716	739,716
Profit and loss account	12	2,424,618	2,453,801
SHAREHOLDERS' FUNDS	12	<u>4,940,492</u>	<u>4,969,675</u>

The financial statements of Cowlin Group Limited, registered number 04018937, were approved by the Board of Directors and authorised for issue on *8th August 2012*

Signed on behalf of the Board of Directors



GRAEME TAYLOR
Director

COWLIN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The audit fee of £1,000 (2010 £1,000) for the audit of the company's accounts was borne by Balfour Beatty Construction Scottish & Southern Limited in the current and previous period and was not recharged

3 DIRECTORS' EMOLUMENTS

	2011 No.	2010 No.
Number of directors	<u>7</u>	<u>8</u>

The directors were remunerated by Balfour Beatty Construction Scottish & Southern Limited and Cowlin Construction Limited and received no remuneration for their services to Cowlin Group Limited in either period

4. EMPLOYEE INFORMATION

The company had no employees other than the directors during either period

5. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2011 £	2010 £
The tax charge comprises		
Current tax		
Adjustments in respect of prior years	-	(9,000)
Total current tax	-	(9,000)
Deferred tax		
Adjustments in respect of prior years	29,183	8,936
Rate change adjustment	-	1,081
Total deferred tax (see note 10)	29,183	10,017
Total tax on profit on ordinary activities	<u>29,183</u>	<u>1,017</u>

COWLIN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

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

Consolidation

The company has taken advantage of the exemption available under Section 400 of Companies Act 2006 from the obligation to prepare group accounts. Group accounts are prepared by the company's ultimate holding company, Balfour Beatty plc. Accordingly, these accounts present information about the company as an individual entity and not as a group.

Going concern

The company's business activity is set out in the directors' report.

The directors' report also describes the financial position of the company.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets and liabilities are not discounted.

COWLIN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

5 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

Factors affecting tax charge for year

The standard rate of current tax for the period, based on the UK standard rate of corporation tax, is 26.5% (2010: 28%). The current tax charge for the year differs from 26.5% (2010: 28%) for the reasons set out in the following reconciliation:

	£	£
Profit on ordinary activities before tax	-	-
	<u>-</u>	<u>-</u>
	£	£
Tax on profit on ordinary activities at standard rate	-	-
Factors affecting the charge		
Prior year adjustments	-	(9,000)
	<u>-</u>	<u>(9,000)</u>
Company current tax credit for the year	-	(9,000)
	<u>-</u>	<u>(9,000)</u>

The company earns its profits primarily in the UK, therefore, the tax rate used for tax on profit on ordinary activities is the standard rate for UK corporation tax, currently 26.5%.

The Finance Act 2011 was substantively enacted on 19 July 2011 implementing a reduction to the main UK corporation tax rate from 27% to 25% effective from 1 April 2012.

Additional changes were announced in the March 2012 budget statement to further reduce the main stream rate of corporation tax to 24% from 1 April 2012 and thereafter by 1% per year to 22% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and therefore are not included in these financial statements.

6. FIXED ASSET INVESTMENTS

	£
Shares in group companies at cost and net book value At 1 January 2011 and 31 December 2011	<u>2,383,304</u>

The subsidiary companies at 31 December 2011 were:

Subsidiary	Nature of business	Investment owned
Cowlin Management Limited	Investment company	Directly
William Cowlin (Holdings) Limited	Property management and administration	Indirectly
Cowlin Construction Limited	Building contractors	Indirectly

All the subsidiaries have only ordinary share capital, are wholly owned and are registered in England and Wales. Cowlin Group Limited directly or indirectly holds 100% of the voting rights in these subsidiaries (2010: 100%).

COWLIN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2011

7. DEBTORS

	2011 £	2010 £
Amounts owed by group undertakings	2,740,000	2,740,000
Deferred tax assets (note 10)	-	29,183
	<u>2,740,000</u>	<u>2,769,183</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Amounts owed to group undertakings	<u>129,812</u>	<u>129,812</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Amounts owed to group undertakings	<u>53,000</u>	<u>53,000</u>

Amounts owed to group undertakings are due within five years, do not bear interest and are unsecured

10. DEFERRED TAX

	2011 £	2010 £
Deferred tax is provided as follows:		
Opening deferred tax asset	29,183	39,200
Profit and loss account charge	(29,183)	(10,017)
Closing deferred tax asset	<u>-</u>	<u>29,183</u>

The deferred taxation balances in 2010 relates to provisions

COWLIN GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2011

11 CALLED UP SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
14,289 'A' ordinary shares of £1 each	14,289	14,289
14,289,000 'B' ordinary shares of £0.035 each	500,115	500,115
31,394,000 'C' ordinary shares of £0.035 each	1,098,790	1,098,790
126,394 ordinary shares of £1 each	126,394	126,394
	<u>1,739,588</u>	<u>1,739,588</u>

The ordinary shares are classified as equity shares in the balance sheet in accordance with FRS 25, as they have no redemption rights or guaranteed right to dividends. The ordinary shares, 'A' ordinary shares, 'B' ordinary shares and 'C' ordinary shares rank pari passu.

12. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At beginning of the year	1,739,588	36,570	739,716	2,453,801	4,969,675
Loss for the financial year	-	-	-	(29,183)	(29,183)
At end of the year	<u>1,739,588</u>	<u>36,570</u>	<u>739,716</u>	<u>2,424,618</u>	<u>4,940,492</u>

13 CASH FLOW STATEMENT

In accordance with the provisions of FRS1 "Cash Flow Statements" the company has not prepared a cash flow statement because its ultimate parent undertaking, Balfour Beatty plc, prepares consolidated financial statements which include the company and are publicly available.

14 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption in Financial Reporting Standard 8, "Related Party Transactions", not to disclose transactions with other members of the group headed by Balfour Beatty plc.

There were no other related party transactions.

15 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

In the opinion of the directors the ultimate parent company and controlling party is Balfour Beatty plc, a company registered in England and Wales. Copies of its financial statements can be obtained from Companies House, Crown Way, Maundy, Cardiff, CF14 3UZ.

The smallest and the largest group of which the company is a member and for which group accounts are prepared is that headed by Balfour Beatty plc.