

Registered Number: SC192142

RAVENS CRAIG LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st
DECEMBER 2008

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ANNUAL REPORT FOR THE YEAR ENDED 31ST DECEMBER 2008

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DIRECTORS AND ADVISERS

Directors:	M Wright J McManus P Strickland P Brooks A Pickford (Appointed 23/03/2009) S J Boyes (Appointed 11/12/2008) D McLeod (Appointed 30/06/2008) C R Smith (Appointed 12/01/2009)
Secretary:	Brodies Secretarial Services Limited
Registered Office:	15 Athol Crescent Edinburgh Midlothian EH3 8HA
Registered Number:	SC192142 Scotland
Trading Address:	7 Buchanan Gate Cumbernauld Road Stepps Glasgow G43 7FB
Auditors:	Grant Thornton UK LLP 95 Bothwell Street Glasgow G2 7JZ

REPORT OF THE DIRECTORS

The Directors present their report, together with the audited financial statements for the year ended 31st December 2008.

Review of Activities and Subsequent Events

The Company's main activity during 2008 was that of land development.

The Directors consider the period's results to be satisfactory and that the Company's financial resources are sufficient for its future plans.

Results and Dividends

The loss for the year amounted to £1,858,000, and this was transferred to reserves.

Directors

The Directors who served during the year were as follows:

J McManus	D McLeod (Appointed 30/06/2008)
P Strickland	A G Silber (Resigned 11/12/2008)
N Chatterton (Resigned 23/03/2009)	S J Boyes (Appointed 11/12/2008)
P Brooks	P Woodburn (Resigned 28/11/2008)
M Wright	C R Smith (Appointed 12/01/2009)
N Davies (Resigned 12/01/2009)	A Pickford (Appointed 23/03/2009)
J P Fitzsimmons (Resigned 30/06/2008)	
J A McQuade (Appointed 28/11/2008, Resigned 29/06/2009)	

None of the Directors have any beneficial interest in the company.

Supplier Payment Policy

The Company's policy with regard to the payment of suppliers is to advise suppliers when placing orders of the Company's payment terms, or alternatively, to agree payment terms prior to order. It is policy to pay in accordance with agreed arrangements that, within the industry, include the evaluation by surveyors of the value of work completed and retentions for remedial works.

The Company's trade creditor days for the year were 3 working days (2007: 43 days) based on the ratio of the Company's trade creditors at the end of the year to the amounts invoiced during the year.

Small Company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

REPORT OF THE DIRECTORS (continued)

Auditors

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

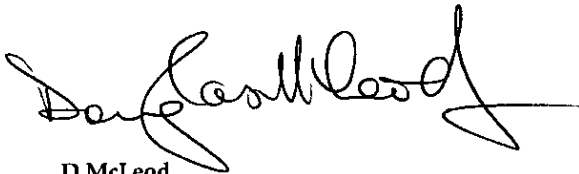
So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

The director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 1985.

A resolution to reappoint Grant Thornton UK LLP as the Company's auditor under section 487 (2) of the Companies Act 2006 will be proposed at the forthcoming Board Meeting.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'D McLeod', with a long horizontal flourish extending to the right.

D McLeod
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for the financial year.

The Directors consider that in preparing the financial statements the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and that all accounting standards which they consider to be applicable have been followed and that the financial statements have been prepared on the going concern basis.

The Directors have responsibility at any time for ensuring that the Company keeps proper accounting records which disclose with reasonable accuracy the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 1985.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAVENS CRAIG LIMITED

Report of the independent auditor to the members of Ravenscraig Limited

We have audited the financial statements of Ravenscraig Limited for the year ended 31 December 2008 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 15. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Report of the Directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAVENS CRAIG LIMITED (continued)

Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2008 and of its loss for the year then ended; the financial statements have been properly prepared in accordance with the Companies Act 1985, and the information given in the Report of the Directors is consistent with the financial statements.



GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
GLASGOW

12 May 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER 2008

	<u>Notes</u>	<u>2008</u> <u>£000</u>	<u>2007</u> <u>£000</u>
Turnover	2	15,619	2,434
Cost of Sales		<u>(15,619)</u>	<u>(2,300)</u>
Gross profit		-	134
Other operating income		-	19
Other operating charges		(303)	(234)
Administration expenses		<u>(85)</u>	<u>(120)</u>
Operating loss	3	(388)	(201)
Net finance charge	4	<u>(1,470)</u>	<u>(1,247)</u>
Loss on ordinary activities before taxation		(1,858)	(1,448)
Taxation	5	<u>-</u>	<u>-</u>
Retained loss for the financial year		<u><u>(1,858)</u></u>	<u><u>(1,448)</u></u>

Note: All activities relate to continuing operations.

The Company has no recognised gains and losses in either year other than the losses above and therefore no separate statement of total recognised gains and losses has been presented.

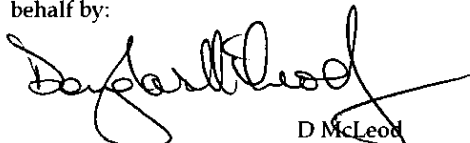
The accompanying accounting policies and notes form part of these financial statements.

BALANCE SHEET AS AT 31ST DECEMBER 2008

	Notes	2008 £000	2007 £000
Tangible fixed assets	6	24	10
Current assets		24	10
Stock and work in progress	7	39,656	45,970
Debtors:			
Amounts falling due within one year	8	47	706
Bank balances and cash		2,249	1,849
		41,952	48,525
Creditors:			
Amounts falling due within one year	9	(573)	(2,479)
Net current assets		41,379	46,046
Total assets less current liabilities		41,403	46,056
Creditors:			
Amounts falling due after more than one year	10	(45,624)	(48,419)
Net liabilities		(4,221)	(2,363)
Capital and reserves			
Called up share capital	11	0	0
Reserves	12	(4,221)	(2,363)
Equity shareholders' deficit		(4,221)	(2,363)

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

The financial statements were approved by the Board on 29 April 2010 and were signed on its behalf by:


D McLeod


J McManus

The Company's registration number is SC192142

The accompanying accounting policies and notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

The principle accounting policies of the Company which, have been applied consistently, with the exception of changes in accounting policy caused by the adoption of new accounting standards, are set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Going concern

Funding for the company's activities is provided by way of loans from each of the Joint venture partners. The nature of the Joint venture agreement is such that repayment of the loans will only be made when the company has generated sufficient funds through the sale of land.

Few additional costs are anticipated for completion of phase 1 of the development and the feasibility study for phase 2 has been commissioned. The directors are satisfied based on current projections the development of land will generate a profit. Consequently, the financial statements have been prepared on a going concern basis.

Turnover

Turnover is the total amount receivable by the company for development land sold excluding VAT. Income from the sale of development land is recognised when the transaction is complete.

Stocks and Work in Progress

Stocks, including land held for development, are valued at the lower of cost and net realisable value.

Development work in progress is valued at the lower of cost and net realisable value less progress payments received and receivable.

Depreciation

Depreciation is provided on operating assets on the straight line basis on historical cost over its useful estimated life of 5 years.

Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument those financial instruments are classified as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Government Grants

Government grants in respect of site development expenditure are netted off against work in progress and are credited to the profit and loss account when work in progress is released to cost of sales.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Cash flow Statement

The Directors have taken advantage of the exemption in Financial Reporting Standard Number 1 (revised 1996) from including a cash flow statement on the grounds that the Company is small.

Trade payables

Trade payables on normal interest terms are not interest bearing and are stated at their nominal value.

Deferred Taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallize based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered, deferred tax is measured on a non - discounted basis.

2. TURNOVER

	<u>2008</u> <u>£000</u>	<u>2007</u> <u>£000</u>
Serviced land sales	15,619	2,434
	<u>15,619</u>	<u>2,434</u>

3. OPERATING LOSS

	<u>2008</u> <u>£000</u>	<u>2007</u> <u>£000</u>
Operating loss is stated after charging:		
Auditors remuneration	20	18
Depreciation	9	2
	<u>29</u>	<u>20</u>

Remuneration of the Company's auditors during 2008 for the provision of non - audit services to the Company was £2,500 (2007: £Nil).

The Directors of the Company have not been remunerated in the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. NET FINANCE CHARGE

	<u>2008</u>	<u>2007</u>
	<u>£000</u>	<u>£000</u>
Interest payable on loans from related parties	(1,567)	(1,264)
Interest receivable	97	17
	<u>(1,470)</u>	<u>(1,247)</u>

5. TAXATION

	<u>2008</u>	<u>2007</u>
	<u>£000</u>	<u>£000</u>
Current Tax		
UK Corporation Tax on Profits for the period	-	-
Adjustments in respect of previous periods	-	-
	<u>-</u>	<u>-</u>
Total Current Tax	<u>-</u>	<u>-</u>
Deferred Tax		
Origination and reversal of timing differences	-	-
Adjustments in respect of previous periods	-	-
	<u>-</u>	<u>-</u>
Total Deferred tax	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>
Factors affecting the tax charge for the period		
Loss on ordinary activities before taxation	(1,858)	(1,448)
	<u>(1,858)</u>	<u>(1,448)</u>
Loss on ordinary activities at standard UK corporation tax rate of 28.5% (2007: 30%)	(530)	(434)
Losses carried forward	530	434
	<u>-</u>	<u>-</u>
Current tax payable	<u>-</u>	<u>-</u>

The cumulative tax losses is £4,211,457 (2007: £2,361,393).
This deferred tax asset has not been recognised.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. TANGIBLE FIXED ASSETS

	<u>Vehicles Plant and Equipment</u>	<u>Total</u>
	<u>£000</u>	<u>£000</u>
Costs		
At 1st January 2008	13	13
Additions	23	23
Disposals	-	-
At 31st December 2008	<u>36</u>	<u>36</u>
Depreciation		
At 1st January 2008	3	3
Provided in the year	9	9
Disposals	-	-
At 31st December 2008	<u>12</u>	<u>12</u>
Net Book Value		
At 31st December 2008	<u>24</u>	<u>24</u>
At 31st December 2007	<u>10</u>	<u>10</u>

7. STOCKS AND WORK IN PROGRESS

	<u>2008</u>	<u>2007</u>
	<u>£000</u>	<u>£000</u>
Land	19,730	20,871
Work in progress	19,926	25,099
	<u>39,656</u>	<u>45,970</u>

8. DEBTORS

	<u>2008</u>	<u>2007</u>
	<u>£000</u>	<u>£000</u>
Amounts falling due within one year:		
Trade debtors	-	257
Other debtors	47	442
Prepayments and accrued income	-	7
	<u>47</u>	<u>706</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

	<u>2008</u> <u>£000</u>	<u>2007</u> <u>£000</u>
Trade creditors	490	775
Accruals and deferred income	83	1,704
	<u>573</u>	<u>2,479</u>

10. CREDITORS: AMOUNTS FALLING DUE
AFTER ONE YEAR

	<u>2008</u> <u>£000</u>	<u>2007</u> <u>£000</u>
Amounts owed to related parties	45,624	48,419
	<u>45,624</u>	<u>48,419</u>

11. CALLED UP SHARE CAPITAL

There was no change in share capital during the period.

	<u>Authorised</u> <u>(£ and No.)</u>	<u>Allotted, Called Up</u> <u>and Fully Paid</u> <u>(£ and No.)</u>
As at 31st December 2008		
Ordinary shares of £1 each	<u>300</u>	<u>300</u>
As at 31st December 2007		
Ordinary shares of £1 each	<u>300</u>	<u>300</u>

12. PROFIT AND LOSS ACCOUNT RESERVE

	<u>Profit and</u> <u>Loss Account</u> <u>£000</u>
At 1st January 2008	(2,363)
Loss for year	(1,858)
At 31st December 2008	<u>(4,221)</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. RELATED PARTY TRANSACTIONS

During the year, Ravenscraig Limited repaid an advance of £2,533k (2007: £10,768k) to Wilson Bowden Limited. In addition to the advance, interest of £861k became due to Wilson Bowden Limited in the year. At the year end, the balance owing to Wilson Bowden Limited was £12,614k (2007 : £14,286k). Wilson Bowden Limited is a 100% owned subsidiary of Barratt Developments plc. As such Wilson Bowden Limited is a related party of Ravenscraig Limited by virtue of Barratt Developments plc's 33.33% shareholding in the company.

The nature of the relationship between Wilson Bowden Limited and Ravenscraig Limited is one of agency whereby Wilson Bowden Limited act on behalf of Ravenscraig Limited.

During the year, Ravenscraig Limited repaid an advance of £1,682k (2007 : £170k Received) from Corus (UK) Limited. At the year end, the balance owing to Corus (UK) Limited was £19,136k (2007: £20,818k). Corus (UK) Limited is a related party of Ravenscraig Limited by virtue of its 33.33% shareholding in the company.

During the year, Ravenscraig Limited repaid an advance of £146k (2007 : £21k) to Scottish Enterprise Lanarkshire Limited. Interest of £705k became due to Scottish Enterprise Lanarkshire Limited in the year. At the year end, the balance owing to Scottish Enterprise Lanarkshire Limited was £13,874k (2007 : £13,315k). Scottish Enterprise Lanarkshire Limited is a related party of Ravenscraig Limited by virtue of its 33.33% shareholding in the company.

14. CONTINGENT LIABILITY

Scottish Enterprise Lanarkshire have an entitlement to recharge Ravenscraig Limited for outstanding works carried out by Scottish Enterprise on the Ravenscraig site. At the year end, the potential recharge totalled £934,108. The forecasts in place for the first phase of the development do not anticipate that the costs of these outstanding works will be recoverable in the foreseeable future, though under the terms of the Master Agreement between the parties recovery may be possible on future phases.

15. CAPITAL COMMITMENTS

At the year end, the company did not have any capital commitments.