

**COUNTY & DISTRICT PROPERTIES LIMITED**

**REGISTERED NUMBER 675355**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2010**

KPMG Audit Plc  
Chartered Accountants  
Registered Auditor  
LONDON



**COUNTY & DISTRICT PROPERTIES LIMITED**  
**REPORT OF THE DIRECTORS**  
**For the year ended 31 December 2010**

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**BUSINESS REVIEW**

The company continued to carry out its principal activities of property development, investment and management

The results for the year are set out in the Profit and Loss Account on page 4

**DIRECTORS**

The directors of the company who held office during the year were as follows

A Wyllie  
A O Bickerstaff  
M F Burdes

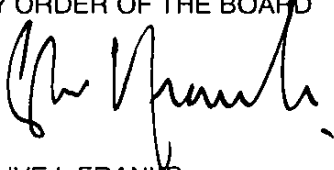
**DISCLOSURE OF INFORMATION TO AUDITORS**

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

**AUDITORS**

Pursuant to Section 487 of the Companies Act the auditors will be deemed to be re-appointed and KPMG Audit Plc will therefore continue in office

BY ORDER OF THE BOARD



CLIVE L FRANKS  
SECRETARY  
28 March 2011

REGISTERED OFFICE  
Costain House,  
Vanwall Business Park,  
Maidenhead, Berkshire, SL6 4UB

**COUNTY & DISTRICT PROPERTIES LIMITED**  
**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND**  
**THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2010**

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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, they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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 judgments and 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 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 AUDITOR'S REPORT TO THE MEMBERS OF COUNTY & DISTRICT PROPERTIES LIMITED**

**For the year ended 31 December 2010**

We have audited the financial statements of County & District Properties Limited for the year ended 31 December 2010 set out on pages 4 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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](http://www.frc.org.uk/apb/scope/private.cfm)

## **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 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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

**Stephen Bligh (Senior Statutory Auditor) for and on behalf of  
KPMG Audit Plc  
Statutory Auditor**

15 Canada Square  
Canary Wharf  
London, E14 5GL

31 March 2011

**COUNTY & DISTRICT PROPERTIES LIMITED****PROFIT AND LOSS ACCOUNT****For the year ended 31 December 2010**

	Notes	2010 £	2009 £
Turnover	1	416,975	444,891
Cost of sales		(512,784)	(438,053)
<b>Operating (loss)/profit</b>		<b>(95,809)</b>	<b>6,838</b>
Interest receivable		-	2,381
- On amounts due from group undertakings		-	-
- External		1,785	-
Interest payable		-	-
- On amounts owed from group undertakings		(841)	(449)
<b>(Loss)/profit on ordinary activities before taxation</b>	2	<b>(94,865)</b>	<b>8,770</b>
Taxation	3	-	-
<b>(Loss)/profit for the financial year</b>	11	<b>(94,865)</b>	<b>8,770</b>

All operating (losses)/profits are attributable to continuing operations

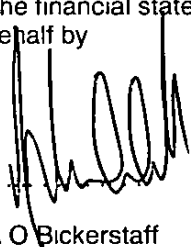
There were no recognised gains and losses other than the loss for the year and the profit for the preceding year

THE NOTES ON PAGES 6 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS

**COUNTY & DISTRICT PROPERTIES LIMITED**  
**BALANCE SHEET**  
**As at 31 December 2010**

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	4	199,889	199,889
<b>Current assets</b>			
Debtors	5	24,139,051	24,211,939
<b>Creditors: amounts falling due within one year</b>	7	(148,850)	(226,873)
<b>Net current assets</b>		23,990,201	23,985,066
<b>Total assets less current liabilities</b>		24,190,090	24,184,955
<b>Provisions for liabilities and charges</b>	8	(180,000)	(80,000)
<b>Net assets</b>		24,010,090	24,104,955
<b>Capital and reserves</b>			
Called up share capital	9	93,650,203	93,650,203
Share premium account	10	1,064,435	1,064,435
Profit and loss account	10	(70,704,548)	(70,609,683)
<b>Equity shareholders' funds</b>	11	24,010,090	24,104,955

The financial statements were approved by the Board of Directors on 28 March 2011 and were signed on its behalf by



Director

A O Bickerstaff

Company registered number 675355

THE NOTES ON PAGES 6 TO 9 FORM PART OF THESE FINANCIAL STATEMENTS

**COUNTY & DISTRICT PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2010**

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**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 ACCOUNTING**

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards under the historical cost convention

**CASH FLOW STATEMENT**

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

**TURNOVER**

Turnover represents gross rental and management income from properties (excluding value added tax)

**INTEREST AND FINANCE CHARGES**

Interest and finance charges are written off to the profit and loss account as incurred

**TAXATION**

Deferred tax has been recognised as a liability or asset, except as otherwise required by FRS 19 'Deferred Tax', if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. An asset is not recognised to the extent that the transfer of economic benefit in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted

**2. (Loss)/profit on ordinary activities before taxation**

	2010 £	2009 £
Profit/(loss) on ordinary activities is stated after charging		
Rentals paid under operating leases	307,150	307,150
Auditors' remuneration - audit	2,000	2,000

There were no fees paid to KPMG Audit Plc for services other than the statutory audit of the company

No emoluments were paid to the directors of the company during the year (2009 £nil)

There were no staff employed during the year (2009 nil)

**COUNTY & DISTRICT PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS continued**  
**For the year ended 31 December 2010**

**3 Taxation**

Tax reconciliation	2010 £	2009 £
(Loss)/profit on ordinary activities before taxation	(94,865)	8,770
Tax at 28% (2009 28%)	26,562	(2,456)
Other timing differences	(28,000)	-
Group relief free of charge	1,438	2,456
Total current tax	-	-

The company has deferred tax assets that have not been recognised on the basis that their future economic benefit was not assured as at the balance sheet date. Tax relief will be obtained if suitable profits arise in future accounting periods.

The full potential deferred tax assets not recognised at 28% (2009 28%) were

	2010 £	2009 £
Other timing differences	48,600	22,400

**4. Tangible assets**

Freehold land held for future development

Cost and Net book value	£
At 1 January and 31 December 2010	199,889

Freehold land is valued at cost and is not depreciated

**5 Debtors**

Amounts falling due within one year	2010 £	2009 £
Trade debtors	22,462	108,785
Other debtors	14,821	2,131
Other prepayments and accrued income	101,768	101,023
Amounts owing by group undertakings	24,000,000	24,000,000
	24,139,051	24,211,939

**6 Cash at bank**

The company's bankers have the right to set off the company's bank balance when in credit against borrowings by Richard Costain Limited



**COUNTY & DISTRICT PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS continued**  
**For the year ended 31 December 2010**

**7. Creditors' amounts falling due within one year**

	2010 £	2009 £
Amounts falling due within one year		
Borrowings	61,586	123,420
Accruals and deferred income	87,264	103,453
	<u>148,850</u>	<u>226,873</u>

**8 Provisions for liabilities and charges**

	At beginning of year £	Utilised £	Provided £	At end of year £
Void space provisions	80,000	(80,000)	180,000	180,000

Expected to be utilised over the next 5 years

**9. Share capital**

	2010 and 2009 Authorised £	Issued and fully paid £
Ordinary shares of £1 each	100,000,000	93,650,203

**10. Reserves**

	Share premium account £	Profit and loss account £
At 1 January 2010	1,064,435	(70,609,683)
Loss for the financial year		(94,865)
At 31 December 2010	<u>1,064,435</u>	<u>(70,704,548)</u>

**COUNTY & DISTRICT PROPERTIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS continued**  
**For the year ended 31 December 2010**

**11. Reconciliation of movement in shareholders' funds**

	2010 £	2009 £
Profit/(loss) for the financial year	(94,865)	8,770
Opening shareholders' funds	24,104,955	24,096,185
	<hr/>	<hr/>
Closing shareholders' funds	24,010,090	24,104,955
	<hr/>	<hr/>

**12. Contingent liability**

The company has entered into cross guarantees together with the ultimate parent company and certain fellow group undertakings for overdraft facilities made available to the group. At 31 December 2010, these liabilities amounted to £nil (2009 £nil)

There are also contingent liabilities in respect of performance bonds and other undertakings entered into in the ordinary course of business

**13. Other financial commitments**

Annual commitments under non-cancellable operating leases of land and buildings on leases expiring after five years amounted to £307,150 (2009 £307,150)

**14 Related parties transactions**

The company has no related party transactions other than with wholly owned subsidiaries of the Costain Group PLC, the ultimate parent company, which are exempt from disclosure under FRS 8 Related party disclosures

**15. Ultimate parent undertaking**

The largest and the smallest group of undertakings for which group financial statements are drawn up is that of the ultimate parent undertaking, Costain Group PLC, a company registered in England and Wales

Copies of the group financial statements of Costain Group PLC may be obtained from the registered office of the company, Costain House, Vanwall Business Park, Maidenhead, Berkshire SL6 4UB