

CHERITON RESOURCES 16 LIMITED

ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

Registration number 01653773

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Directors' Report

The directors have pleasure in submitting their report together with the financial statements for the year ended 31 December 2010

Business review

The principal activity of the Company was the provision of leasing finance. No new business was entered into during the year.

Results and dividends

The result for the year ended 31 December 2010 is a loss of £3,531 (2009 loss of £497) and the income statement is set out on page 5.

The directors did not declare a dividend for the year (2009 £nil).

Directors

The directors who served during the period were

K Morrison

M Schuller

None of the directors had any material interest in any contract in relation to the business of the Company.

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 auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board,



Séverine Garnham
Secretary
26 September 2011

UK Terminal
Ashford Road,
Folkestone,
Kent,
CT18 8XX

Statement of Directors' responsibilities in respect of the Directors' Report and the Financial Statements

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 IFRSs as adopted by the EU 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 judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, 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 Auditors' Report to the members of Cheriton Resources 16 Limited

We have audited the financial statements of Cheriton Resources 16 Limited for the year ended 31 December 2010 set out on pages 5 to 9. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 page 3, 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 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 IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

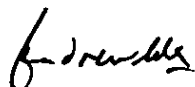
Opinion on other matter prescribed by the Companies Act 2006

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.



Andrew Cole (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
KPMG LLP
15 Canada Square
London
E14 5GL

29 September 2011

Income statement

£	Notes	2010	2009
Other expenses		(10,531)	-
Credit /(charges) in respect of administration fees		7,000	(1,000)
Operating loss	2	(3,531)	(1,000)
Income from cash and cash equivalents		-	503
Net income from financing and debt service		-	503
Loss before taxation		(3,531)	(497)
Income tax expense	3	-	-
Loss after taxation and loss attributable to equity shareholders		(3,531)	(497)

The results in the income statement relate to continuing operations

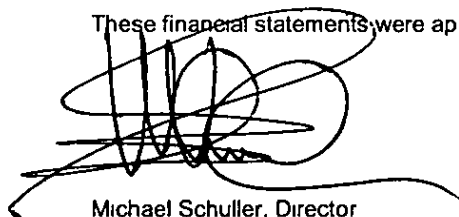
There are no other items of comprehensive income for either the current or the previous year

Balance sheet

£	Notes	31 December 2010	31 December 2009
ASSETS			
Current assets			
Other receivables	4	2,006	75
Cash	7	757,091	761,845
Total current assets and total assets		759,097	761,920
EQUITY AND LIABILITIES			
Share capital	6	1,000	1,000
Other reserves	8	5,440,000	5,440,000
Retained earnings		(4,695,686)	(4,692,155)
Total equity		745,314	748,845
Current liabilities			
Other payables	5	13,783	13,075
Total current liabilities		13,783	13,075
Total equity and liabilities		759,097	761,920

The notes on pages 7 to 9 form part of these financial statements

These financial statements were approved by the Board of Directors on 26 September 2011 and signed on its behalf by



Michael Schuller, Director

Company registration number 01653773

Statement of cash flows

£	Notes	2010	2009
Loss for the year		(3,531)	(497)
Net income from financing and debt service		-	(503)
Loss from operating activities		(3,531)	(1,000)
(Increase)/decrease in other receivables		(1,931)	100
Increase in other payables		708	1,075
Cash (outflow)/inflow from operating activities		(4,754)	175
Interest received		-	503
Cash inflow from financing activities		-	503
(Decrease)/increase in cash in the year	7	(4,754)	678

Statement of changes in equity

£	2010			2009		
	Share capital (£1,000) and other reserve	Retained earnings	Total	Share capital (£1,000) and other reserve	Retained earnings	Total
As at 1 January	5,441,000	(4,692,155)	748,845	5,441,000	(4,691,658)	749,342
Loss for the year	-	(3,531)	(3,531)	-	(497)	(497)
As at 31 December	5,441,000	(4,695,686)	745,314	5,441,000	(4,692,155)	748,845

The notes on pages 7 to 9 form part of these financial statements

Notes to the financial statements

1. Basis of accounting and significant accounting policies

Statement of compliance

The accounts of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) and their interpretations as endorsed by the EU and effective at 31 December 2010. No standards published by the IASB but not yet adopted by the European Union at 31 December 2010 have been applied in anticipation. No significant effect is expected from the future application of these standards.

Basis of preparation and presentation

The financial statements are presented in sterling. They are prepared under the historical cost convention and on the going concern basis. There are no judgements or estimates made by management in their application of IFRS that could have significant effects on these financial statements.

The directors confirm, having made appropriate enquiries, that the Company has adequate resources to continue to operate for the foreseeable future.

Significant accounting policies

Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

All taxation liabilities of the Company are met by fellow Eurotunnel Group undertakings.

2. Operating loss

The operating loss is stated excluding audit fees of £800 (2009: £800) borne by Eurotunnel, another Group company. Fees during the year for non-audit services provided by the auditors, KPMG LLP, and their associates, were £nil (2009: £nil).

3. Income tax expense

3.1 Analysis of income tax expense for the year

There is no UK corporation tax charge for the year (2009: £ nil).

Cherton Resources 16 Limited
Financial statements for the year ended 31 December 2010

3 2 Factors affecting the tax charge for the year

£	2010	2009
Loss before taxation	(3,531)	(497)
Tax at standard rate of UK corporation tax of 28% (2009 28%)	(989)	(139)
Factors affecting the income tax expense for the year		
Group tax relief	989	139
Income tax expense for the year	-	-

3 3 Factors affecting future tax charges

Deferred tax is not provided for due to the Company's arrangement with fellow Eurotunnel Group undertakings to meet all of the Company's taxation liabilities by the provision of group relief

4. Other receivables

£	31 December 2010	31 December 2009
VAT	2,006	75
Total	2,006	75

5. Other payables

£	31 December 2010	31 December 2009
Legal fees	7,783	-
Administration fees	6,000	13,075
Total	13,783	13,075

6. Share capital

£		31 December 2010	31 December 2009
Authorised	1,000 ordinary share of £1 each	1,000	1,000
Allotted, called-up and fully paid	1,000 ordinary share of £1 each	1,000	1,000

7. Cash and cash equivalents

Movement during the year

£	2010	2009
Opening cash and cash equivalents	761,845	761,167
(Decrease)/increase in cash in year	(4,754)	678
Closing cash and cash equivalents	757,091	761,845

8. Other reserves

On 30 September 2003, the Company's parent company made a non-repayable capital contribution of £5,440,000 to the Company

9. Directors' emoluments

Directors are remunerated by fellow Eurotunnel Group undertakings for their duties to the Eurotunnel Group as a whole. The directors received no specific emoluments for their services to the Company during the year (2009: £nil).

The Board is not aware of any contract of significance (other than their service contracts) in relation to the Company or its subsidiaries in which any director has any material interest.

10. Related party disclosures

The Company's immediate parent undertaking is Cheriton Resources 9 Limited, a company registered in England and Wales. The results of the Company are consolidated in Groupe Eurotunnel SA's consolidated financial statements, the Company's ultimate parent company and controlling party and a company registered in France. A copy of Groupe Eurotunnel SA's consolidated financial statements is available on the Eurotunnel Group's website www.eurotunnelgroup.com.