N.E.S.T. MAKERS Limited

Directors' report and financial statements
For the year ended 31 March 2011

Registered number 03937132

Contents

Directors' report for the year ended 31 March 2011

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2011 The Company is incorporated in England and Wales (Registered No 3937132)

On the 21 of April 2011, Carillion plc acquired the entire issued share capital of the company's then ultimate parent, Eaga Limited From this date, Carillion plc became the company's ultimate parent company

Principal activities

The company did not trade during the current or proceeding year

Business review

It is the intention of the Directors to dissolve the Company within the next twelve months As explained more fully in note 1, the financial statements have been prepared on the break up basis

Result for the year

The Company made a loss before tax of £46,995 in the year ended 31 March 2011 (2010 £47,854) The Company had net liabilities of £1,858,020 at 31 March 2011 (2010 £1,824,184) The Directors do not recommend the payment of a dividend for the year ended 31 March 2011 (2010 nil)

Directors

N Spann	Appointed 20 April 2011
R Jack	
J A Johnson	Resigned 20 April 2011

Small companies provision

This report has been prepared in accordance with the special provisions for small companies within Part 15 of the Companies Act 2006

Directors' statement as to disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are 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

KPMG Audit Plc were appointed as auditors Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

This report was approved by the board on 11 MAY 2012 and signed on its behalf by

N Spann
Director

Statement of directors' responsibilities in respect of the Director's report and financial statements

The dırectors are responsıble for preparıng the Dırectors' Report and the financıal statements ın accordance wıth applıcable law and regulatıons

Company law requıres the dırectors to prepare financıal statements for each financıal year Under that law they have elected to prepare the financıal statements ın accordance wıth UK Accountıng Standards and applıcable law (UK Generally Accepted Accountıng Practıce)

Under company law the dırectors must not approve the financıal statements unless they are satısfied that they gıve a true and faır vıew of the state of affaırs of the company and of the profit or loss of the company for that year

In preparıng these financıal statements, the dırectors are requıred to

- select suıtable accountıng polıcıes and then apply them consıstently,
- make ȷudgments and estımates that are reasonable and prudent,
- state whether applıcable UK Accountıng Standards have been followed, subȷect to any materıal departures dısclosed and explaıned ın the financıal statements, and
- prepare the financıal statements on the goıng concern basıs unless ıt ıs ınapproprıate to presume that the company wıll contınue ın busıness As explaıned ın note 1, the dırectors do not belıeve that ıt ıs approprıate to prepare these financıal statements on a goıng concern basıs

The dırectors are responsıble for keepıng adequate accountıng records that are suffıcıent to show and explaın the company's transactıons and dısclose wıth reasonable accuracy at any tıme the financıal posıtıon of the company and enable them to ensure that ıts financıal statements comply wıth the Companıes Act 2006 They have general responsıbılıty for takıng such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other ırregularıtıes

KPMG Audit Plc

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Independent auditor's report to the members of N.E.S.T MAKERS Limited

We have audited the financial statements of N E S T MAKERS Limited for the period ended 31 March 2011, set out on pages 5 to 11

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 website at www frc org uk/apb/scope/private cfm

Opinion on the 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 March 2011 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

Independent auditor's report to the members of N.E.S.T MAKERS Limited
(continued)

Emphasis of matter – non going concern basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements which explains that the financial statements have not been prepared on a going concern basis for the reasons set out in that note

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

D K Turner (Senior Statutory Auditor)
For and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants

11 May 2012

Profit and loss account for the year ended 31 March 2011

	Notes	**2011** **£**	2010 £
Other operating charges		(60)	(77)
Operating loss		(60)	(77)
Interest receivable and similar income	*4*	8	8
Interest payable and similar charges	*5*	(46,943)	(47,785)
Loss on ordinary activities before taxation	*2*	(46,995)	(47,854)
Taxation on loss on ordinary activities	*6*	13,159	13,400
Loss for the financial year	*10*	(33,836)	(34,454)

All of the above amounts relate to discontinued activities

The Company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There are no material differences between the loss on ordinary activities before tax and the loss for the financial year stated above and their historical cost equivalents

Balance sheet as at 31 March 2011

	Note		**2011**		2010
		£	**£**	£	£
Current assets					
Debtors	*7*	104,564		91,405	
Cash		21,747		21,799	
		126,311		113,204	
Creditors: amounts falling due within one year	*8*	(1,984,331)		(1,937,388)	
Net current liabilties			(1,858,020)		(1,824,184)
Net liabilties			(1,858,020)		(1,824,184)
Capital and reserves					
Called up share capital & reserves	*9*		45,000		45,000
Profit and loss account	*10*		(1,903,020)		(1,869,184)
Equity shareholders' deficit	*11*		(1,858,020)		(1,824,184)

These financial statements were approved by the board of directors on 11 May 2012 and were signed on its behalf by

N Spann
Director

Company registered number 3937132

1) Notes to the financial statements for the year ended 31 March 2011

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and with the requirements of the Companies Act 2006 A summary of the accounting policies, which have been applied consistently, is set out below

Basis of preparation

In previous years, the financial statements have been prepared on a going concern basis The financial statements for the current year have been prepared on the break up basis

The Company has net liabilities of £1,858,020 at 31 March 2011 and has made a loss before tax of £46,995 for the year then ended The directors have considered the future prospects of the Company and determined that it is unlikely that it will generate sufficient cash flows to meet its liabilities as they fall due As such, it is the directors intention to dissolve the company in the next 12 months and the financial statements have been prepared on a break up basis to reflect this

Cash flow statement

N E S T Makers Limited is a small company The Directors have taken advantage of the exemption from preparing a cash flow statement afforded to them in Financial Reporting Standard No 1 'Cash flow statements' (Revised 1996)

Taxation

The charge for taxation is based on the result for each year and takes into account deferred taxation Deferred tax assets or liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19 Liabilities are calculated on a non-discounted full provision basis Assets are calculated on the same basis, but are recognised only to the extent that it is probable that they will be recovered

Notes to the financial statements for the year ended 31 March 2011

(forming part of the financial statements)

2) Loss on ordinary activities before taxation.

The audit fee for the current and proceeding year was borne by another Group company and no recharge was made to this company

Fees paid to the company's auditor, KPMG Audit Plc and its associates, for services other than the statutory audit of the company are not disclosed in these financial statements since the consolidated financial statements of the company's ultimate parent, Carillion plc, are required to disclose non-audit fees on a consolidated basis

3) Employee information

The Company no longer trades and has no employees, therefore no employee costs were incurred in the current or the proceeding year None of the Directors received any remuneration in respect of their services as Directors of the Company in the year or proceeding year

4) Interest receivable and similar income

	2011	2010
	£	£
Bank interest receivable	**8**	8

5) Interest payable and similar charges

	2011	2010
	£	£
Interest payable on loans from related undertakings	**46,943**	47,785

6) Taxation on profit on ordinary activities

	2011	2010
	£	£
a) Analysis of tax credit for the year		
UK corporation tax		
Current tax	**13,159**	13,400

b) Factors affecting the tax charge for the year

The current tax credit assessed for the year is equivalent to (2010 equivalent to) the standard effective rate of corporation tax in the UK for the year ended 31 March 2011 of 28% (2010 28%)

c) Factors affecting the tax charges in future years

On 5 July 2011 the Finance (No 3) Act 2011 was substantively enacted, implementing from 1 April 2012 a reduction in the corporation tax rate from 26% to 25% This will reduce the Company's future current tax charge accordingly

Notes *(continued)*

7) Debtors

	2011	2010
	£	£
Amounts owed from related parties	**91,403**	91,403
Other debtors	**13,159**	-
Called up share capital not fully paid	**2**	2
	104,564	91,405

8) Creditors - Amounts falling due within one year

	2011	2010
	£	£
Loans owed to related undertakings	**1,984,338**	1,937,388
	1,984,338	1,937,388

9) Called up share capital

	2011	2010
	£	£
Authorised		
22,500 'A' shares of £1 each	**22,500**	22,500
22,500 'B' shares of £1 each	**22,500**	22,500
50,000 Ordinary shares of 10p each	**5,000**	5,000
	50,000	50,000
Allotted, called up and fully paid		
22,498 'A' shares of £1 each	**22,498**	22,498
22,500 'B' shares of £1 each	**22,500**	22,500
	44,998	44,998
Allotted, called up and not fully paid		
2 'A' shares of £1 each	**2**	2
	45,000	45,000

The 'A' shares and 'B' shares rank pari passu in respect of voting rights, rights to dividends and their priority on winding up

Notes *(continued)*

10) Reserves

	£	£
		Profit and loss account
At 1 April 2010		(1,869,184)
Loss for the financial year		(33,836)
At end of year		(1,903,020)

11) Reconciliation of movement in equity shareholder's deficit

	2011	2010
	£	£
At beginning of year	(1,824,184)	(1,789,730)
Loss for the financial year	(33,836)	(34,454)
		-
At end of year	(1,858,020)	(1,824,184)

12) Related party transactions

Related party transactions and balances arising in the normal course of business

	2011	2010
	£	£
Carillion Energy Services Limited (formerly Eaga plc)		
Interest payable on loan by Carillion Energy Services Limited (formerly Eaga plc) in the year	**23,489**	23,910
Outstanding loan balance due to Carillion Energy Services Limited (formerly Eaga plc) at 31 March	**969,399**	969,392

	2011	2010
	£	£
ScottishPower UK plc and its subsidiaries		
Interest payable on loan by ScottishPower Energy Retail Limited	**23,454**	23,875
Outstanding loan balance due to ScottishPower Energy Retail Limited at 31 March	**967,996**	967,996

Notes *(continued)*

13) Immediate parent company and controlling party

The shares of the Company are owned equally by Carillion Energy Services Limited (formerly Eaga plc) and ScottishPower Energy Retail Limited As such there is no ultimate controlling party