

# **JOHN LAING PROJECTS & DEVELOPMENTS (CROYDON) LIMITED**

## **DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

**Registered Number 6710472**

**TUESDAY**



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**30/09/2014**

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**COMPANIES HOUSE**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013**

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**DIRECTORS AND ADVISORS**

**Directors**

M Baybutt (resigned 16 August 2013)  
J Kerr (resigned 18 January 2013)  
A S Pearson (appointed 8 February 2013)  
S D Yeatman

**Company secretary and registered office**

M Lewis  
1 Kingsway  
London  
WC2B 6AN

**Auditor**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London

**Solicitors**

Denton Wilde Sapte  
One Fleet Place  
London  
EC4M 7WS

## **DIRECTORS' REPORT**

The Directors submit their annual report and the audited financial statements for the year ended 31 December 2013.

This Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The Company is a wholly owned subsidiary of John Laing Projects & Developments (Holdings) Limited, which in turn is a wholly owned subsidiary of John Laing Investments Limited.

No Strategic report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

## **BUSINESS REVIEW AND PRINCIPAL ACTIVITIES**

The principal activity of the Company is to act as a partner in CCURV LLP, a Limited Liability Partnership whose principal activity is the development of property in the London Borough Croydon in a joint venture with Croydon Council.

There have not been any significant changes in the Company's principal activities in the year under review.

CCURV LLP continued to take forward the following developments in Croydon:

### **Taberner House**

Significant progress has been made on the Taberner House development in 2013 with a detailed scheme prepared for planning submission in January 2014. The delivery strategy for Taberner House is proposed as two phases, with phase 1 being Private Rented Sector (PRS) residential stock and phase 2 private residential for sale.

### **College Green**

CCURV agreed to return this opportunity to the Council. For the foreseeable future CCURV will have no further involvement in College Green.

### **Lion Green Road, Coulsdon**

Substantial progress has been made on completing the masterplan for Coulsdon and working up proposals for this site. A 50,000 sq. ft gross foodstore has been identified for the site, as well as a 10,000 sq. ft health centre. The planning application was determined in April 2014.

### **Other Sites**

CCURV (Croydon Council Urban Regeneration Vehicle) is looking at numerous other Council owned sites across the borough such as Rees House and Homefield House in order to establish what values and regenerative benefits can be achieved through their delivery.

### **Davis House**

Croydon Council bought out John Laing's interest in Davis House in 2013; the building is now wholly owned by the Council.

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate. More information is provided in note 1 to the financial statements.

## **FUTURE DEVELOPMENTS**

The Directors are not aware, at the date of this report, of any major changes in the Company's activities in the next year.

## **RESULTS AND DIVIDENDS**

The loss for the year before taxation was £263,000 (2012 - loss £208,000). After a tax credit of £923,000 (2012 £1,382,000) the profit for the year was £660,000 (2012 - profit £1,178,000).

The Directors do not recommend the payment of a dividend (2012 - £nil).

**DIRECTORS' REPORT (continued)**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Company's activities expose it to a number of financial risks including credit risk and cash flow risk.

**Cash flow risk:** The Company's borrowings expose it to cash flow risk primarily due to the financial risks of changes in interest rates.

**Credit risk:** The Company's principal financial assets are loan receivables. The Company's credit risk is primarily attributable to its loan receivables which are with one counterparty.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

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 auditor is 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

**DIRECTORS**

The Directors who served throughout the year, except as noted, are shown on page 1.

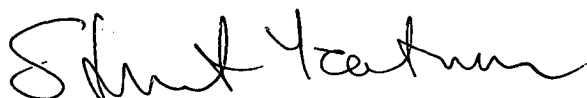
**EMPLOYEES**

Details of the number of employees and related costs can be found in note 4 to the financial statements on page 9.

**AUDITOR**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

On behalf of the Board



S D Yeatman  
Director

30 September 2014

## **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 JOHN LAING PROJECTS & DEVELOPMENTS (CROYDON) LIMITED**

We have audited the financial statements of John Laing Projects & Developments (Croydon) Limited for the year ended 31 December 2013 which comprise the profit and loss account, the balance sheet and the related notes 1 to 14. 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 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 Company was not entitled to take advantage of the small companies exemption in preparing the Strategic Report or in preparing the Directors' Report.



Ross Howard (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

30 September 2014

## PROFIT AND LOSS ACCOUNT

	Notes	2013 £'000	2012 £'000
Operating results	2	-	-
Interest payable	5	(263)	(208)
Loss on ordinary activities before taxation		(263)	(208)
Tax on loss on ordinary activities	6	923	1,382
Profit for the financial year	11	660	1,174

A reconciliation of movements in shareholder's funds is given in note 12.

All items in the profit and loss account relate to continuing operations.

There is no material difference between the results stated in the profit and loss account and their historical cost equivalents.

All gains and losses are recognised in the profit and loss account in both the current and preceding year, and therefore no separate statement of total recognised gains and losses has been presented.



## BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	2013 £'000	2012 £'000
<b>Fixed assets</b>			
Investments	7	1	1
<b>Current assets</b>			
Debtors: due within one year	8	10,031	7,519
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	(8,178)	(6,326)
<b>Net current assets</b>		<u>1,853</u>	<u>1,193</u>
<b>Total assets less current liabilities</b>		<b>1,854</b>	<b>1,194</b>
<b>Net assets</b>		<u><b>1,854</b></u>	<u><b>1,194</b></u>
<b>Capital and reserves</b>			
Called up share capital	10	-	-
Profit and loss account	11	1,854	1,194
<b>Shareholder's funds</b>	12	<u><b>1,854</b></u>	<u><b>1,194</b></u>

The financial statements of John Laing Projects & Developments (Croydon) Limited, registered number 6710472, were approved by the Board of Directors and authorised for issue on 30 September 2014. They were signed on its behalf by:



S D Yeatman  
Director

30 September 2014

## Notes to the financial statements for the year ended 31 December 2013

**1 ACCOUNTING POLICIES****a) Basis of preparation of accounts**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. A summary of the principal accounting policies adopted by the Directors, which have been applied consistently throughout the current and preceding year, is shown below.

The Company is a wholly owned subsidiary undertaking of John Laing plc and as such is exempt under FRS1 (revised 1996) from the requirement to prepare its own cash flow statement.

As a wholly owned subsidiary undertaking, the Company is also exempt under section 400 of the Companies Act 2006 from any requirement to prepare consolidated financial statements for its group. Accordingly, the financial statements present information about the Company as an individual undertaking, and the results of joint ventures are reflected in these accounts only to the extent that dividends have been declared.

The Company exists to hold investments in a joint venture that provides services under certain private finance agreements. The joint venture is set up as a Special Purpose Company under non-recourse arrangements and therefore the Company has limited its exposure to the liabilities. In the event of default of the subsidiary, the exposure is limited to the extent of the investment it has made. Having reviewed the Company's investment portfolio including the associated future cash requirements and forecast receipts, the Directors are satisfied that they have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**b) Investments**

Fixed asset investments are shown at cost less provision for impairment. Income from investments is included in the profit and loss account as declared.

**c) Taxation**

Current tax, including United Kingdom Corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

In accordance with FRS19 'Deferred Tax', deferred taxation 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 when, 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 period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are not discounted.

## Notes to the financial statements for the year ended 31 December 2013 (continued)

**2 OPERATING RESULTS**

Fees payable to the Company's auditors for the audit of the Company's annual accounts of £2,655 (2012 - £2,575) have been borne by the Company's parent undertaking John Laing Projects and Developments Holding Limited.

**3 DIRECTORS' REMUNERATION**

No Directors received any remuneration for services to the Company during the current or prior year. The Company is managed by secondees from the shareholders under a management services contract.

**4 STAFF NUMBERS**

The Company had no employees during the year (2011 - nil).

**5 INTEREST PAYABLE**

	2013 £'000	2012 £'000
Interest payable and similar charges		
Interest payable to parent undertakings	(263)	(208)
	<u>(263)</u>	<u>(208)</u>

**6 TAX ON LOSS ON ORDINARY ACTIVITIES**

	2013 £'000	2012 £'000
<u>Analysis of tax credit for the year</u>		
<b>Current tax</b>		
Group relief payable	707	715
Group relief in respect of previous periods	216	667
Total current tax	<u>923</u>	<u>1,382</u>
<b>Total tax credit on loss on ordinary activities</b>	<u>923</u>	<u>1,382</u>

*Factors affecting tax credit for the current year*

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the loss before tax are as follows:

	2013 £'000	2012 £'000
Loss on ordinary activities before taxation	<u>(263)</u>	<u>(208)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.25% (2012 - 24.5%)	61	51
<b>Effects of:</b>		
(Profit) / Loss not consolidated from transparent entities	646	715
Adjustments in respect of previous years	216	667
Tax losses not recognised for deferred tax purposes	-	(51)
<b>Total current tax credit for the year</b>	<u>923</u>	<u>1,382</u>

For the year ended 31 December 2013, the blended rate of 23.25% is applied due to the change in the UK corporation tax rate from 24% to 23% with effect from 1 April 2013

There is an unrecognised deferred tax asset of £nil (2012 - £nil) which relates to losses of the CCURV and Davis House Limited Liability Partnerships.

## Notes to the financial statements for the year ended 31 December 2013 (continued)

## 7 INVESTMENTS

	Members capital £'000
<b>Cost</b>	
At 1 January 2013	1
Additions	-
<b>At 31 December 2013</b>	<b>1</b>
<b>Cost and Net book value</b>	
<b>At 31 December 2013</b>	<b>1</b>
At 31 December 2012	1

The sole investment is 50% interest in CCURV LLP, which is incorporated in Great Britain and registered in England and Wales and its principal activity is the development of property in the London Borough of Croydon.

In the opinion of the Directors the value of the investment in the joint venture is not less than the amount stated in the balance sheet.

## 8 DEBTORS

	2013 £'000	2012 £'000
<b>Due within one year</b>		
Amounts owed from participating interests	7,355	5,766
Amounts owed by Parent undertaking	1,753	1,753
Group relief receivable	923	-
	<b>10,031</b>	<b>7,519</b>

The amount owed by participating interests comprise a loan with CCURV LLP and is payable on demand. There is no interest charged on this balance.

## 9 CREDITORS

	2013 £'000	2012 £'000
<b>Amounts falling due within one year</b>		
Amounts owed to group undertakings	8,178	6,326
	<b>8,178</b>	<b>6,326</b>

John Laing Projects & Developments (Holdings) Limited have provided loans totalling £7.4 million, payable on demand with interest charged at the Bank of England base rate plus 3.5% per annum.

## 10 CALLED UP SHARE CAPITAL

	2013 £'000	2012 £'000
<b>Allotted, called up and fully paid:</b>		
1 ordinary share of £1	-	-

## 11 MOVEMENT IN RESERVES

	Profit and loss account £'000
<b>At 1 January 2013</b>	1,194
Profit for the financial year	660
<b>At 31 December 2013</b>	<b>1,854</b>

## 12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2013 £'000	2012 £'000
Profit for the financial year	660	1,174
Net addition to shareholder's funds	660	1,174
Opening shareholder's funds	1,194	20
<b>Closing shareholder's funds</b>	<b>1,854</b>	<b>1,194</b>

## Notes to the financial statements for the year ended 31 December 2013 (continued)

**13 TRANSACTIONS WITH RELATED PARTIES**

There were related party transactions between the Company and the following parties:

	<b>2013</b>	2012
	<b>£'000</b>	£'000
Increase in loan to:		
CCURV LLP	<b>1,589</b>	1,400
Increase in loan from:		
John Laing Laing Projects and Developments (Holdings) Limited	<b>1,589</b>	1,400
Interest payable accrued on loan:		
John Laing Laing Projects and Developments (Holdings) Limited	<b>263</b>	208
Balance payable at 31 December:		
John Laing Projects and Developments (Holdings) Limited - Loan and accrued interest	<b>8,178</b>	6,325
Balance receivable at 31 December:		
CCURV LLP - Loan	<b>7,355</b>	5,767
John Laing Projects and Developments (Holdings) Limited - Group Relief Debtor	<b>738</b>	1753

**14 ULTIMATE PARENT UNDERTAKING**

The Company's immediate parent company is John Laing Projects & Developments (Holdings) Limited, a company incorporated in Great Britain.

The smallest and largest group in which its results are consolidated and the Company's ultimate parent and controlling entity is Henderson Infrastructure Holdco (Jersey) Limited, a company incorporated in Jersey, Channel Islands.

Copies of the consolidated accounts of Henderson Infrastructure Holdco (Jersey) Limited are available from its registered office at Ogier House, The Esplanade, St Helier JE4 9WG, Jersey, Channel Islands.