

CROYDON PSDH HOLDCO 2 LIMITED

**DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2012**



Registered Number 7178695

DIRECTORS' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

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DIRECTORS AND ADVISORS

Directors

M Baybutt

J Kerr (resigned 18 January 2013)

S D Schneider (resigned 18 January 2013)

S D Yeatman

Company secretary and registered office

M Lewis

1 Kingsway

London

WC2B 6AN

Auditor

Deloitte LLP

Chartered Accountants

London

DIRECTORS' REPORT

The Directors submit their Annual Report and the audited financial statements for the year ended 31 December 2012

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

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company operates principally as a holding company to John Laing (Croydon Development Company) LLP which is engaged in the construction of the Public Service Delivery Hub to Croydon Council. Key milestones achieved within the year include the installation of the mechanical and electrical plant and equipment and the discharge of construction phase planning conditions. Practical Completion is expected in May 2013.

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. In reaching this conclusion, the Directors have specifically considered the Company's relationships with its immediate parent company. More information is provided in note 1 to the financial statements.

PRINCIPAL RISKS

The Company's principal risk is liquidity risk, exposure is mitigated by the financial support given by John Laing Projects and Developments (Holdings) Limited, the immediate parent company.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a Director at the date of approval of this report confirms that

- as far as the Director is aware, there is no relevant audit information of which the Company's auditor is 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 auditor is aware of that information.

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

DIRECTORS

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

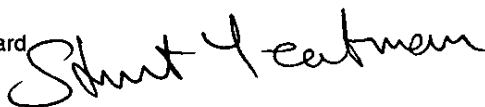
EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the financial statements on page 8.

AUDITOR

Deloitte LLP have been appointed as auditor. Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements are being made for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

On behalf of the Board



S Yeatman
Director

7 May 2013

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 year. 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 CROYDON PSDH HOLDCO 2 LIMITED

We have audited the financial statements of Croydon PSDH HoldCo 2 Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. 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 (APB'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 in the audited financial statements. 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 2012 and the results for the year,
- 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 period 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
- the Directors were not entitled to take advantage of the small companies exemption 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
7 May 2013

PROFIT AND LOSS ACCOUNT**FOR THE YEAR ENDED 31 DECEMBER 2012**

	Notes	2012 £	2011 £
Operating results	2	-	-
Results on ordinary activities before interest		<u>-</u>	<u>-</u>
Interest receivable		17	-
Interest payable		(17)	-
Net interest	5	-	-
Results on ordinary activities before taxation		<u>-</u>	<u>-</u>
Results for the financial period	10	<u>-</u>	<u>-</u>

A reconciliation of movements in shareholder's funds is given in note 11

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

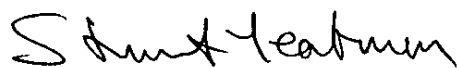
All gains and losses are recognised in the profit and loss account in both the current year and preceding period, and therefore no separate statement of total recognised gains and losses has been presented

CROYDON PSDH HOLDCO 2 LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 £	2011 £
Fixed assets			
Investments	6	-	-
Current assets			
Debtors - due within one year	7	92	1
- due after more than one year	7	2,946	-
		<u>3,038</u>	<u>1</u>
Current liabilities			
Creditors amounts falling due within one year	8	(91)	-
		<u>2,947</u>	<u>1</u>
Net current assets			
		2,947	1
Total assets less current liabilities			
		2,947	1
Creditors amounts falling due after more than one year	8	(2,946)	-
		<u>1</u>	<u>1</u>
Net assets			
		1	1
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account	10	-	-
		<u>1</u>	<u>1</u>
Shareholder's funds	11		
		1	1

The financial statements of Croydon PSDH Holdco 2 Limited, registered number 7178695, were approved by the Board of Directors and authorised for issue on May 2013. They were signed on its behalf by



S Yeatman
Director
7 May 2013

Notes to the financial statements for the year ended 31 December 2012

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 period and 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.

The Company exists to act as a member of John Laing (Croydon Development Company) LLP, which serves as the vehicle that delivers the Public Service Delivery Hub to Croydon Council. The Limited Liability Partnership is set up as a Special Purpose Vehicle under non-recourse arrangements and therefore the Company has limited its exposure to the liabilities. Having reviewed the Company's investment in the LLP, 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

Except as stated below, fixed asset investments are shown at cost less provision for impairment.

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.

There was no tax charge in the current period.

Notes to the financial statements for the year ended 31 December 2012 (continued)

2 OPERATING RESULTS

Fees payable to the Company auditors for the audit of the Company's annual accounts of £2,575 (2011 - £2,500) is borne by John Laing Projects and Developments (Holdings) Limited

3 DIRECTORS' REMUNERATION

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

4 STAFF NUMBERS

The Company had no employees during the current year or preceding period.

5 NET INTEREST

	2012 £	2011 £
Interest receivable and similar income		
Interest receivable on amounts due from group undertakings	17	-
	<u>17</u>	<u>-</u>
Interest payable and similar charges		
Interest payable to parent undertakings	(17)	-
	<u>(17)</u>	<u>-</u>
Net interest	<u>-</u>	<u>-</u>

6 INVESTMENTS

	Members capital £	Interests in Joint Ventures £
Cost		
At 1 January 2012	-	-
Additions	-	-
At 31 December 2012	<u>-</u>	<u>-</u>
Net book value		
At 31 December 2011	<u>-</u>	<u>-</u>
At 31 December 2011	<u>-</u>	<u>-</u>

The sole investment is 0.01% interest in John Laing (Croydon Development Company) LLP, which is incorporated in Great Britain and registered in England and Wales and its principal activity is to serve as the vehicle that delivers the Public Service Delivery Hub to Croydon Council.

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

Notes to the financial statements for the year ended 31 December 2012 (continued)

7 DEBTORS

	2012 £	2011 £
Due within one year		
Amounts owed from group undertaking	92	1
	<u>92</u>	<u>1</u>
Due after more than one year		
Amounts owed from group undertaking	2,946	-
	<u>2,946</u>	<u>-</u>

The amount owed by John Laing (Croydon Development Company) LLP in the current and prior year is repayable in line with repayment schedules. Interest is charged at 9% per annum.

8 CREDITORS

	2012 £	2011 £
Amounts falling due within one year		
Amounts owed to parent undertaking	91	-
	<u>91</u>	<u>-</u>
Amounts falling due after more than one year		
Amounts owed to parent undertaking	2,946	-
	<u>2,946</u>	<u>-</u>
Analysis of debt		
Debt can be analysed as falling due		
In one year or less	74	-
Between one and two years	158	-
Between two and five years	494	-
In five years or more	2,294	-
	<u>3,020</u>	<u>-</u>

The Company has been loaned £0.10 from its parent company, which was immediately used to invest in John Laing (Croydon Development Company) LLP.

The amount owed to John Laing Projects & Developments (Holdings) Ltd is repayable in line with repayment schedules. Interest is charged at 9% per annum.

9 CALLED UP SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
1 ordinary shares of £1 each	1	1

10 MOVEMENT IN RESERVES

	Profit and loss account £
At 1 January 2012	-
Profit for the financial year	-
At 31 December 2012	<u>-</u>

Notes to the financial statements for the year ended 31 December 2012 (continued)

11 RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

	2012	2011
	£	£
Results for the financial period	-	-
New shares issued	-	-
Net addition to shareholder's funds	-	-
Opening shareholder's funds	1	1
Closing shareholder's funds	1	1

12 TRANSACTIONS WITH RELATED PARTIES

As a wholly owned subsidiary of John Laing plc, the Company has taken advantage of the exemption under Financial Reporting Standard 8 not to provide information on related party transactions with other undertakings within the John Laing plc group. Note 13 gives details of how to obtain a copy of the published financial statements of John Laing plc.

13 ULTIMATE PARENT UNDERTAKING

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

The smallest group in which its results are consolidated is John Laing plc, a company incorporated in Great Britain and registered in England and Wales. The largest group in which its results are consolidated is Henderson Infrastructure Holdco (Jersey) Limited, a company incorporated in Jersey, Channel Islands and registered in Jersey, Channel Islands. Copies of the consolidated accounts of John Laing plc are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The Company's ultimate parent and controlling entity is Henderson Infrastructure Holdco (Jersey) Limited, a company incorporated in Jersey, Channel Islands.