

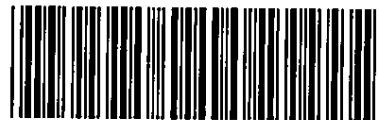
Urban Catalyst Carillion LLP

Partners' report and financial statements

Partnership number OC310316

Year ended 31 December 2006

TUESDAY



ABE46U8B

A34

30/10/2007

368

COMPANIES HOUSE

Contents

Partners' report	1
Statement of partners' responsibilities in respect of the Partners' report and the financial statements	2
Independent auditors' report to the Partners of Urban Catalyst Carillion LLP	3
Profit and loss account	5
Balance sheet	6
Reconciliation of movements in partners' capital accounts	7
Notes	8

Partners' report

The partners present their report and the audited financial statements for the partnership for the year ended 31 December 2006

Principal activities and business review

The principal activity during the period has been the development of land and property

The partnership anticipates that the partnership will continue to perform its present role during 2007

Results

The results for the partnership are set out on page 5

Partners and partners' interests

The partners and their interests and shares in the partnership were as follows

	At end of period
Carillion Holdings Limited	50%
Urban Catalyst Limited	50%

Disclosure of information to auditors

The directors who held office at the date of approval of this Partners' report confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's 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 LLP's auditors are aware of that information

Auditor

In accordance with Section 385 of the Companies Act 1985 a resolution for the reappointment of KPMG Audit Plc as auditor of the LLP will be proposed at the Annual General Meeting

By order of the joint venture partners



SP Eastwood
Carillion Holdings Limited

24 Birch Street
Wolverhampton
WV1 4HY



K Dylor
Urban Catalyst Limited

Acre House
11-15 Wilham Road
London
NW1 3ER

7 March 2007

Statement of partners' responsibilities in respect of the Partners' report and the financial statements

The partners are responsible for preparing the Partners' Report and the financial statements in accordance with applicable law and regulations

The law relating to limited liability partnerships (LLPs) requires the members to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to give a true and fair view of the state of affairs of the LLP and of the profit or loss of the partnership for that period.

In preparing these financial statements, the members are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 LLP will continue in business.

Under the Limited Liability Partnerships Regulations 2001, the members are responsible for keeping proper records that disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the LLP and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

2 Cornwall Street
Birmingham
B3 2DL

Independent auditors' report to the Partners of Urban Catalyst Carillion LLP

We have audited the financial statements of Urban Catalyst Carillion LLP for the year ended 31 December 2006 which comprise the profit and loss account, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the partners of the Limited Liability Partnership (LLP), as a body, in accordance with Section 235 of the Companies Act 1985, as required by paragraph 3 of the Limited Liability Partnership Regulations 2001. Our audit work has been undertaken so that we might state to the company's partners 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 partners as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of partners and auditors

As described in the Statement of Partners' Responsibilities on page 2, the partners are responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Partners' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding partners' remuneration and other transactions is not disclosed.

We read the Partners' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the partners in the preparation of the financial statements, and of whether the accounting policies are appropriate to the LLP's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Independent auditors' report to the members of Urban Catalyst Carillion LLP
(continued)

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of affairs of the LLP as at 31 December 2006 and of its loss for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985
- the information given in the Partners' Report is consistent with the financial statements

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

7 March 2007

Profit and loss account
for the year ended 31 December 2006

	<i>Note</i>	Year ended 31 December 2006 £	Period ended 31 December 2005 £
Administrative expenses		-	-
Operating result	2	-	-
Interest receivable	3	288,789	275,371
Interest payable	4	(288,789)	(275,371)
Result for the financial period retained and transferred to partners' current account		-	-

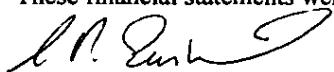
All amounts relate to continuing operations

The LLP has no recognised gains or losses other than that disclosed in the profit and loss account. Accordingly, a statement of total recognised gains and losses has not been prepared.

Balance sheet
at 31 December 2006

	<i>Note</i>	2006	2005	
			£	£
Fixed assets				
Investment in group companies	6	101		201
Current assets				
Debtors	7	5,059,455	5,764,601	
Creditors: amounts falling due within one year	8	(5,058,556)	(5,763,802)	
Net current assets		899		799
Net assets		1,000		1,000
Capital and reserves				
Partners' capital accounts	9	1,000		1,000
Partners' current accounts	9	-		-
		1,000		1,000

These financial statements were approved by the partners on 7 March 2007 and were signed on its behalf by



SP Eastwood
On behalf of Carillion Holdings Limited



K Dytor
On behalf of Urban Catalyst Limited

Reconciliation of movements in partners' capital accounts
for the year ended 31 December 2006

	Year ended 31 December 2006 £	Period ended 31 December 2005 £
Partners' capital at the start of the year	1,000	-
Capital investment	-	1,000
Result for the financial year	-	-
Net movement in partners' capital funds	-	1,000
Partners' capital at end of year	1,000	1,000

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the preparation of the LLP's financial statements

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, including the Statement of Recommended Practice, Accounting by Limited Liability Partnerships and under the historical cost accounting rules

The LLP is exempt under section 228 of the Companies Act 1985 from the requirement to prepare group financial statements and deliver them to the Registrar of Companies. The financial statements therefore present information about the LLP as an individual undertaking and not about its group

Where the partnership is party to a joint arrangement which is not an entity, the company accounts directly for its part of the income and expenditure, assets and liabilities and cash flows

Cash flow statement

The LLP is exempt from the requirement to prepare a cash flow statement on the grounds of its size

Taxation provisions

Each partner is liable for the taxation on the results of this partnership. No tax is included for the results of the partnership but is, therefore, calculated and charged in the financial statements of each of the partners

Investments

Fixed asset investments are stated at cost less provision for any permanent diminution in the carrying value of the investment

2 Operating result

Auditors' remuneration was borne by the partners

3 Interest receivable

	Year ended 31 December 2006 £	Period ended 31 December 2005 £
Interest receivable from subsidiary undertakings	288,789	275,371

Notes (continued)

4 Interest payable

	Year ended 31 December 2006 £	Period ended 31 December 2005 £
Loan interest payable	288,789	275,371

Loan interest payable was to Carillion Holdings Limited

5 Staff numbers

The LLP had no employees during the period

6 Investments

	2006 £	2005 £
Shares in subsidiary undertakings at cost		
Urban Catalyst (Barking) Limited	-	100
Urban Catalyst (Bermondsey) Limited	100	100
Urban Catalyst (Derby) Limited	1	1
	<u>101</u>	<u>201</u>

The investments are in the issued share capital of each company. All companies are registered in England and Wales.

7 Debtors

	2006 £	2005 £
Amounts owed by subsidiary undertakings	4,068,660	4,866,940
Amounts owed by related undertakings	990,795	897,661
	<u>5,059,455</u>	<u>5,764,601</u>

8 Creditors: amounts falling due within one year

	2006 £	2005 £
Amounts owed to related undertakings	5,058,455	5,763,601
Other creditors	101	201
	<u>5,058,556</u>	<u>5,763,802</u>

The amounts owed to related undertakings are principally a loan plus interest due to Carillion Holdings Limited. The loan is unsecured and interest is charged at the current base rate plus 2%.

Notes (continued)

9 Partners' capital current and loan accounts

	2006		2005	
	£	£	£	£
Capital accounts				
Carillion Holdings Limited	500		500	
Urban Catalyst Limited	500		500	
		1,000		1,000
Current accounts				
Carillion Holdings Limited	-		-	
Urban Catalyst Limited	-		-	
		-		-
Total partners capital		1,000		1,000
Loan accounts				
Carillion Holdings Limited	4,598,487		5,488,230	
		4,598,487		5,488,230
Total partners capital and loan accounts		4,599,487		5,489,230

10 Status of LLP

The deed of partnership of Urban Catalyst Carillion LLP was entered into on 1 December 2004 in accordance with the Limited Liability Partnership Act 2000 and is between Carillion Holdings Limited, and Urban Catalyst Limited

11 Ultimate parent undertakings

As at 31 December 2006, the ultimate parent undertakings in Urban Catalyst Carillion LLP were Carillion Holdings Limited and Urban Catalyst Limited

The ultimate controlling company of Carillion Holdings Limited is Carillion plc, its ultimate parent company, registered in England and Wales. Copies of the group financial statements for Carillion plc are available from Birch Street, Wolverhampton WV1 4HY

Urban Catalyst Limited is a company registered in England and Wales. The registered office is Acre House, 15 William Street, London