

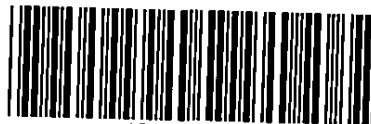
**CAIRD GROUP LIMITED**

**Registered in Scotland number SC010344**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 March 2013**

**SATURDAY**



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**29/06/2013**

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**COMPANIES HOUSE**

**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

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**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

**DIRECTORS' REPORT**

The Directors present their report and the audited financial statements for the year ended 31 March 2013.

**Business review and principal activities**

The principal activity of the Company is that of a holding company.

The loss before tax was £1,362,879 (2012: £16,333 profit). The loss includes an impairment charge of £1,375,000 recognised against the carrying value of the joint venture investment in Caird Bardon Limited. This investment was sold on 21 April 2013. The Directors do not recommend the payment of a final dividend (2012: £nil). The loss for the year transferred to reserves was £1,362,908 (2012: £20,780 profit).

**Principal risks and uncertainties**

The Company is a wholly-owned subsidiary of Shanks Group plc. Risks are managed at a local level in accordance with the risk management framework of Shanks Group plc. The principal risks and uncertainties of Shanks Group plc are discussed in its Annual Report and Accounts for the year ended 31 March 2013.

**Key performance indicators**

Given the straightforward nature of the business, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company.

**Future developments**

The Directors do not anticipate any significant changes for the coming year in respect of the position and activities of the Company, except for the post balance sheet event.

**Post balance sheet event**

On 21 April 2013 the Company sold its 50% interest in its joint venture investment in Caird Bardon Limited to Seneca Global Energy Limited for a small consideration.

**Directors**

The Directors who held office during the year and up to the date of this report were as follows:

P G Dilnot  
T R Woolrych (appointed 27 August 2012)  
C Surch (resigned 26 August 2012)

**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**  
**DIRECTORS' REPORT - continued**

**Statement of directors' responsibilities**

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 the directors have prepared 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**Statement of disclosure of information to auditors**

In accordance with section 418 of the Companies Act 2006 the directors confirm:

- (a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) the directors have taken all the steps they ought to have taken as directors in order 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



T R Woolrych  
Director  
Date: 21 June 2013

Registered Office:  
16 Charlotte Square  
Edinburgh  
EH2 4DF

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CAIRD GROUP LIMITED**

We have audited the financial statements of Caird Group Limited for the year ended 31 March 2013 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### **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 Report and financial statements to identify material inconsistencies with 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 March 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.

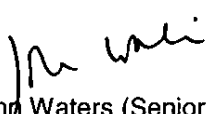
### **Opinion on other matter prescribed by the Companies Act 2006**

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.

  
John Waters (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place, London  
21 June 2013

**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 31 March 2013**

	<u>Note</u>	<u>2013</u> £	<u>2012</u> £
Administrative expenses	4	(1,375,121)	(50)
<b>Operating loss</b>	4	(1,375,121)	(50)
Interest receivable and similar income	5	12,242	16,383
<b>(Loss)/profit on ordinary activities before taxation</b>		(1,362,879)	16,333
Tax on (loss)/profit on ordinary activities	6	(29)	4,447
<b>(Loss)/profit for the financial year</b>	12	(1,362,908)	20,780

All of the above relates to continuing operations.

There is no material difference between the (loss)/profit on ordinary activities before tax and the (loss)/profit for the financial years stated above and their historical cost equivalents.

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**for the year ended 31 March 2013**

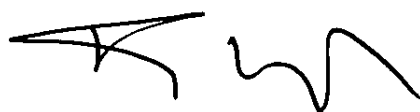
There were no recognised gains or losses other than the (loss)/profit for the years.

**CAIRD GROUP LIMITED**  
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**BALANCE SHEET**  
**as at 31 March 2013**

	<u>Note</u>	<u>2013</u> £	<u>2012</u> £
<b>Fixed assets</b>			
Tangible assets	7	-	-
Investments	8	1,260,002	2,685,002
		<hr/>	<hr/>
		1,260,002	2,685,002
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	9	29,142,548	29,129,262
Cash at bank and in hand		457,221	408,415
		<hr/>	<hr/>
		29,599,769	29,537,677
		<hr/>	<hr/>
Creditors: amounts falling due within one year	10	(1,227,965)	(1,227,965)
		<hr/>	<hr/>
<b>Net current assets</b>		28,371,804	28,309,712
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		29,631,806	30,994,714
		<hr/>	<hr/>
<b>Net assets</b>		29,631,806	30,994,714
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called-up share capital	11	4,257,212	4,257,212
Share premium account	12	1,972,477	1,972,477
Capital redemption reserve	12	8,259,839	8,259,839
Profit and loss account	12	15,142,278	16,505,186
		<hr/>	<hr/>
<b>Total shareholder's funds</b>	13	29,631,806	30,994,714
		<hr/>	<hr/>

The financial statements on pages 4 to 12 were approved by the Board of Directors on 21 June 2013 and were signed on its behalf by:



T R Woolrych  
Director

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2013**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with applicable law, the Companies Act 2006 and in accordance with applicable Accounting Standards in the United Kingdom (UK Generally Accepted Accounting Practice). The accounting policies set out below have been consistently applied. As the Company is a wholly-owned subsidiary undertaking of Shanks Group plc, group financial statements have not been prepared as permitted by section 400 of the Companies Act 2006 and the financial statements contain information about the Company as an individual undertaking.

**Taxation**

Current tax payable is based on taxable profit for the year. Taxable profit differs from profit before tax in the profit and loss account because it excludes items of income and expense that are taxable or deductible in other years or that are never taxable or deductible.

**Dividends**

Dividends are accounted for in the period in which they are received or paid.

**Tangible assets**

Tangible assets are stated at cost less accumulated depreciation and less provision for any impairment. Depreciation is provided on assets other than land to write off their cost by equal annual instalments over their estimated useful economic lives. The expected lives are:

Plant and machinery	3 to 12 years
---------------------	---------------

**Fixed asset investments**

Fixed asset investments are shown at cost including fees relating to acquisition, less provision for any impairment in value. The Directors review the carrying value of investments for any such impairment of value on an annual basis.

**Deferred tax**

Deferred tax is provided in full in respect of timing differences arising between the treatment of certain items for tax and accounting purposes. Deferred tax assets are only recognised where the item is expected to be recovered. Deferred tax provisions have not been discounted.

**2 Segmental reporting**

The principal activity of the Company is that of a holding company and it operates solely in the United Kingdom.



**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2013 - continued**

**3 Company status**

Audit costs have been borne by the ultimate parent company. There were no employees of the Company in the year. The Directors were not remunerated for their services to the Company, neither did the Directors accrue any retirement benefits in respect of service to the Company. None of the emoluments paid to the Directors by the other group companies during the year related to services given to the Company.

**4 Operating loss**

	<u>2013</u> £	<u>2012</u> £
Bank charges	121	50
Impairment of investment	1,375,000	-
	<hr/>	<hr/>
	1,375,121	50
	<hr/>	<hr/>

The impairment charge of £1,375,000 was recognised against the carrying value of the joint venture investment in Caird Bardon Limited.

**5 Interest receivable and similar income**

	<u>2013</u> £	<u>2012</u> £
Income received from fixed asset investments	12,242	16,383
	<hr/>	<hr/>

**6 Tax on (loss)/profit on ordinary activities**

The tax (charge)/credit for the year is made up as follows:

	<u>2013</u> £	<u>2012</u> £
Based on the (loss)/profit for the year:		
Corporation tax		
Current year	502	750
Adjustment in respect of prior periods	(531)	3,697
	<hr/>	<hr/>
	(29)	4,447
	<hr/>	<hr/>

**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2013 - continued**

**6 Tax on (loss)/profit on ordinary activities - continued**

The tax assessed for the year differs to the United Kingdom standard rate of corporation tax of 24% (2012: 26%), as explained below:

	<u>2013</u> £	<u>2012</u> £
(Loss)/profit on ordinary activities before tax	(1,362,879)	16,333
	<hr/>	<hr/>
Tax credit/(charge) based on UK tax rate of 24% (2012: 26%)	327,091	(4,247)
Tax effect of the following items:		
Non-taxable investment income	2,938	4,260
Items adjusted for tax purposes	473	737
Non deductible impairment of investment	(330,000)	-
Adjustment in respect of prior periods	(531)	3,697
	<hr/>	<hr/>
Corporation tax (charge)/credit for the year	(29)	4,447
	<hr/>	<hr/>

**7 Tangible fixed assets**

	<u>Plant and machinery</u> £
<b>Cost:</b>	
At 1 April 2012	50,005
Disposal	(50,005)
	<hr/>
At 31 March 2013	-
	<hr/>
<b>Accumulated depreciation:</b>	
At 1 April 2012	(50,005)
Disposals	50,005
	<hr/>
At 31 March 2013	-
	<hr/>
<b>Net book value:</b>	
At 1 April 2012 and 31 March 2013	-
	<hr/>

**CAIRD GROUP LIMITED**  
Registered in Scotland number SC010344

**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 March 2013 - continued

**8 Fixed asset investments**

	Subsidiary undertakings <u>equity</u> £	Joint ventures <u>equity</u> £	Joint ventures <u>non-equity</u> £	<u>Total</u> £
At 1 April 2012	160,002	775,000	1,750,000	2,685,002
Repayment	-	-	(50,000)	(50,000)
Impairment charge	-	(425,000)	(950,000)	(1,375,000)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2013	160,002	350,000	750,000	1,260,002
	<hr/>	<hr/>	<hr/>	<hr/>

At 31 March 2013 the joint venture investment in Caird Bardon Limited was impaired to £nil. The investment was sold on 21 April 2013 for a small consideration.

At 31 March 2013 the following companies were the principal subsidiary undertakings of the Company:

	<u>Registered in</u>	<u>Proportion of shares held</u>	<u>Type of shares</u>	<u>Type of business</u>
Caird Trading Limited	Scotland	100%	Ordinary	Dormant
Reform Street Investments Limited	England and Wales	100%	Ordinary	Dormant
Atlas Clensol Limited	England and Wales	100%	Ordinary	Dormant
Norfolk Environmental Development Limited	England and Wales	100%	Ordinary	Dormant
Caird Commercial Vehicles Limited	England and Wales	100%	Ordinary	Dormant
Caird Industrial Services Limited	England and Wales	100%	Ordinary	Dormant
Caird Trustees Limited	England and Wales	100%	Ordinary	Dormant
Caird Trustees (Atlas) Limited	England and Wales	100%	Ordinary	Dormant

The balance sheet value of investments represents the purchase consideration and associated costs for the purchase of these shares, together with loans made, less any write down for impairment. In the opinion of the Directors the value of investments in the subsidiary undertakings is not less than the aggregate amounts at which they are shown in the balance sheet.

At 31 March 2013 the Company held the following equity interests in joint venture companies:

	<u>Registered in</u>	<u>Proportion of shares held</u>	<u>Type of shares</u>	<u>Type of business</u>
Caird Bardon Limited	England and Wales	50%	Ordinary	Waste management
Caird Evered Holdings Limited	England and Wales	50%	Ordinary	Dormant

The Company also held 100% of the 'C' shares (non-equity) in both Caird Bardon Limited and Caird Evered Holdings Limited. The rights to dividends on the 'C' shares rank in preference to the holdings in the ordinary shares of both Caird Bardon Limited and Caird Evered Holdings Limited.

**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2013 – continued**

**9 Debtors**

	<u>2013</u> £	<u>2012</u> £
Amounts owed by parent undertaking	28,708,378	28,707,400
Amounts owed by subsidiary undertakings	384,470	384,470
Amounts owed by joint venture undertakings	49,198	24,198
Other debtors	-	12,444
Corporation tax	502	750
	<hr/> 29,142,548 <hr/>	<hr/> 29,129,262 <hr/>

Amounts owed by parent, subsidiary and joint venture undertakings are unsecured, interest free and have no fixed date of repayment.

**10 Creditors: amounts falling due within one year**

	<u>2013</u> £	<u>2012</u> £
Amounts owed to subsidiary undertakings	1,227,965	1,227,965
	<hr/>	<hr/>

Amounts owed to subsidiary undertakings are unsecured, interest free and have no fixed date of repayment.

**11 Called-up share capital**

At 1 April 2012 and at 31 March 2013:

	£
<b>Allotted, called up and fully paid:</b>	
16,748,848 (2012: 16,748,848) ordinary shares of 25p each	4,187,212
70,000 (2012: 70,000) deferred shares of £1 each	70,000
	<hr/> 4,257,212 <hr/>

The deferred shares confer no rights on the holders to attend or vote at general meetings nor to participate in the profits of the Company or its assets on a winding up except to the extent of 1p per deferred share in preference to the ordinary shareholder. These are classified as non-equity.

**CAIRD GROUP LIMITED**  
**Registered in Scotland number SC010344**

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2013 - continued**

**12 Reserves**

	<u>Called-up share capital</u>	<u>Share premium account</u> £	<u>Capital redemption reserve</u> £	<u>Profit and loss account</u> £
At 1 April 2012	4,257,212	1,972,477	8,259,839	16,505,186
Loss for the financial year	-	-	-	(1,362,908)
At 31 March 2013	<u>4,257,212</u>	<u>1,972,477</u>	<u>8,259,839</u>	<u>15,142,278</u>

**13 Reconciliation of movements in equity and non-equity shareholder's funds**

	<u>2013</u> £	<u>2012</u> £
(Loss)/profit for the financial year	(1,362,908)	20,780
Opening shareholder's funds	<u>30,994,714</u>	<u>30,973,934</u>
Closing shareholder's funds	<u>29,631,806</u>	<u>30,994,714</u>
Comprising:		
Equity shareholder's funds	29,561,806	30,924,714
Non-equity shareholder's funds	<u>70,000</u>	<u>70,000</u>
Closing shareholder's funds	<u>29,631,806</u>	<u>30,994,714</u>

**14 Deferred tax**

Deferred tax assets are only recognised where they are expected to be recovered in the foreseeable future. The Company has the following unrecognised deferred tax assets:

	<u>2013</u> £	<u>2012</u> £
Tax losses	<u>324,990</u>	<u>339,120</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 31 March 2013 - continued**

**15 Contingent liabilities**

The Company has given guarantees and a right of set off in respect of its parent and fellow subsidiary undertakings' borrowings. As at 31 March 2013 the Group borrowings for which the Company was a co-guarantor were £158,638,000 (2012: £109,266,000).

The Company has given an unlimited guarantee in respect of the Group's retail bond totalling £84,566,506 (2012: £83,347,225).

The Company, along with other fellow group undertakings, has in the normal course of business given guarantees and performance bonds relating to the Group's contracts totalling £107,902,000 (2012: £27,023,000).

The Company is a member of a HMRC Group VAT registration and as at 31 March 2013 had a contingent liability of £4,682,259 (2012: £237,173) under this registration.

The Company is also a member of a HMRC Group Payment arrangement for Corporation Tax and as at 31 March 2013 had a contingent liability of £Nil (2012: £Nil) under this arrangement.

**16 Related party transactions**

As permitted by FRS 8, the Company, being a wholly-owned subsidiary of another company which prepares a statement of related party transactions including that of this Company, has not prepared such a statement itself.

**17 Cash flow statement**

The Company is a wholly-owned subsidiary of Shanks Group plc and is included in the consolidated statements of Shanks Group plc, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

**18 Post balance sheet event**

On 21 April 2013 the Company sold its joint venture investment in Caird Bardon Limited for a small consideration.

**19 Ultimate parent company**

The Company's immediate and ultimate parent undertaking and controlling party is Shanks Group plc, a company registered in Scotland. Copies of Shanks Group plc consolidated financial statements may be obtained from the Company Secretary, Shanks Group plc, Dunedin House, Auckland Park, Mount Farm, Milton Keynes, Buckinghamshire, MK1 1BU.