
WILLMOTT DIXON CAPITAL WORKS LIMITED

REPORT AND ACCOUNTS

31 DECEMBER 2010

Registered Number: 5922246

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WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

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WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

Company Information

Directors

John Frankiewicz FCIOB
(Chief Executive Officer)

Duncan Canney BSc (Hons), CEng, FCA
Colin Enticknap FCIOB, MRICS
Mike Hart FCIOB
Simon Leadbeater MCIOS
Rick Willmott MCIOS

Joint Company Secretaries

Wendy McWilliams LLB, ACIS
Robert Eyre ACIS

Registered Office

Spirella 2
Icknield Way
Letchworth Garden City
Hertfordshire
SG6 4GY

WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

Report of the directors
for the year ended 31 December 2010

The directors present their report together with the audited financial statements of the company for the year ended 31 December 2010

Principal activity

The principal activity of the company in the period under review was that of a holding company

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 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 judgments and estimates that are reasonable and prudent,
- state whether applicable 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

Review of the business

The company has not traded during the period

The directors approved dividends totalling £19,500,000 for the year (2009 £5,400,000).

Auditor's remuneration is paid by Willmott Dixon Holdings Limited.

WILLMOTT DIXON CAPITAL WORKS LIMITED

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Report of the directors
for the year ended 31 December 2010

Future development of the business

The directors do not expect any change in the activities of the company in the foreseeable future

Directors

The following changes in directors have occurred since 1 January 2010

	Appointed
Colin Enticknap	1 January 2010
Mike Hart	1 January 2010
Simon Leadbeater	1 July 2010

Financial Instruments

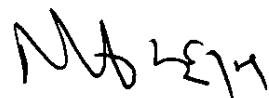
The Group does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through robust credit control procedures. Dedicated credit control teams operate in each trading subsidiary and the Group carries out daily cashflow and working capital monitoring. The nature of the Group's financial instruments means that the price risk or liquidity risk to which they are subject is minimal.

The Group does not use derivative financial instruments for speculative purposes.

Statement as to disclosure of information to auditor

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company auditor is unaware, and they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company auditor is aware of that information.

By Order of the Board



Robert Eyre ACIS
Secretary

30 March 2011

WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

Report of the independent auditor to the members of Willmott Dixon Capital Works Limited on the financial statements for the year ended 31 December 2010

We have audited the financial statements of Willmott Dixon Capital Works Limited for the year ended 31 December 2010 which comprise the profit and loss account, 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).

This report is made solely to the company's members, as a body, in accordance with chapter 3, 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 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. 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 2010 and of its profit 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

WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

**Report of the independent auditor to the members of
Willmott Dixon Capital Works Limited**
on the financial statements for the year ended 31 December 2010

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



David Pomfret (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditor

London, UK

Date 31 March 2011

WILLMOTT DIXON CAPITAL WORKS LIMITED**Registered Number: 5922246****Profit and loss account**
for the year ended 31 December 2010

	Notes	2010	2009
		£	£
Turnover	2	1,919,985	-
Operating Profit	3	1,919,985	-
Distribution/Admin costs		(1,919,985)	-
Income from shares in group undertakings		20,000,000	7,100,000
Profit on ordinary activities before taxation		20,000,000	7,100,000
Tax on profit on ordinary activities	6	-	-
Profit on ordinary activities after taxation		20,000,000	7,100,000

None of the company's activities were acquired or discontinued during the current year or previous year.

The company has no recognised gains and losses other than the profit on ordinary activities after taxation as shown above

WILLMOTT DIXON CAPITAL WORKS LIMITED**Registered Number: 5922246****Balance Sheet**
31 December 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Tangible Fixed assets	7		32,579		-
Investments	8		<u>22,329,450</u>		<u>22,329,450</u>
			22,362,029		22,329,450
Current Assets					
Debtors	9		50,159		-
Cash at bank and in hand			<u>8,575,750</u>		<u>8,500,750</u>
			8,625,909		8,500,750
Creditors					
Amounts falling due within one year	10		8,711,567		9,053,829
Net Current Liabilities			<u>(85,658)</u>		<u>(553,079)</u>
Net assets			<u>22,276,371</u>		<u>21,776,371</u>
Capital and reserves					
Share capital	12		12,000,000		12,000,000
Share premium	13		5,406,868		5,406,868
Revenue reserve	13		<u>4,869,503</u>		<u>4,369,503</u>
Equity shareholder's funds	14		<u>22,276,371</u>		<u>21,776,371</u>

The notes on pages 9 to 15 form part of these financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 30 March 2011 and were signed on its behalf by:



Duncan Canney
Director

WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

Notes to the financial statements
for the year ended 31 December 2010

1 Principal accounting policies

Accounting convention

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with applicable UK accounting standards

Exemption from preparing consolidated financial statements

Consolidated accounts are not being prepared as it is a wholly owned subsidiary undertaking and it is included within the consolidated financial statements of Willmott Dixon Holdings Limited, a company incorporated in the United Kingdom. As such these accounts are those of the parent company only

Cash flow statement

The company qualifies under Financial Reporting Standard 1 for the exemption from preparing a cash flow statement as it is a subsidiary undertaking where 90% or more of the voting rights are controlled within the group and that it is included within the groups consolidated financial statements which are publicly available

Investments

Investments in subsidiary undertakings are carried at cost less provision for any impairment

Leased assets

The total payments made under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.

2 Turnover

Turnover represents revenue recognised in respect of services provided during the period, stated net of value added tax

3 Operating profit

The operating profit is stated after charging:

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Director's emoluments	470,253	-
Director's pension contributions	35,196	-
Depreciation - owned assets	13,988	-
Operating lease rentals - other	<u>194,163</u>	<u>-</u>

Auditor's remuneration for audit and other services was paid by other Group companies

WILLMOTT DIXON CAPITAL WORKS LIMITED

Registered Number: 5922246

Notes to the financial statements
for the year ended 31 December 2010

4 Directors and employees

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Staff costs during the year were as follows:		
Wages and salaries	532,004	-
Incentives	385,139	-
Pension contributions	44,123	-
Social security costs	69,450	-
	<u>1,030,716</u>	<u>-</u>

The average monthly number of employees including directors during the year was as follows

	<u>2010</u>	<u>2009</u>
Office and administration	<u>8</u>	<u>-</u>

Four directors (2009: Nil directors) were remunerated by other group Companies for their services to the group as a whole

The emoluments of the highest paid director were £505,449 (2009 £nil) including pension contributions of £35,196 (2009 £nil).

5 Dividends paid

	<u>2010</u>	<u>2009</u>
	<u>£</u>	<u>£</u>
Ordinary dividends	<u>19,500,000</u>	<u>5,400,000</u>

A dividend of £1 63 per share was approved, totaling £19,500,000 for the year ended 31 December 2010 (2009 £5,400,000)

WILLMOTT DIXON CAPITAL WORKS LIMITED**Registered Number: 5922246****Notes to the financial statements**
for the year ended 31 December 2010**6 Taxation on profit on ordinary activities****a) Analysis of charge**

	2010	2009
	£	£
Current Tax	-	-
	-	-
	-	-

b) Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2010	2009
	£	£
Profit on ordinary activities before tax	20,000,000	7,100,000
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28%	5,600,000	1,988,000
<i>Effects of:</i>		
Non taxable income	(5,600,000)	(1,988,000)
Current tax charge	-	-

c) Factors that may affect future tax charges

The company is not aware of any significant factors that may affect future tax charges.

WILLMOTT DIXON CAPITAL WORKS LIMITED**Registered Number: 5922246****Notes to the financial statements**
for the year ended 31 December 2010**7 Tangible fixed assets**

	Computer Equipment
	£
Cost	
At 1 January 2010	-
Additions	45,233
Transfers	9,507
At 31 December 2010	<u>54,740</u>
Depreciation	
As at 1 January 2010	-
Charge for year	13,988
Transfers	8,173
At 31 December 2010	<u>22,161</u>
Net book value	
At 31 December 2010	<u>32,579</u>
At 31 December 2009	<u>-</u>

8 Investments

	2010
	£
Cost	
At 1 January 2010 and 31 December 2010	22,329,450

The following principal subsidiary companies are registered in England, 100% of the ordinary share capital was owned by Willmott Dixon Capital Works Limited at 31 December 2010:

Name	Main Activity
Willmott Dixon Construction Limited	General design and build
Willmott Dixon Housing Limited	Housing design and build
Willmott Dixon Interiors Limited	Interiors and refurbishment
Willmott Dixon ReThinking Limited	Consultancy services

WILLMOTT DIXON CAPITAL WORKS LIMITED**Registered Number: 5922246****Notes to the financial statements**
for the year ended 31 December 2010**9 Debtors: Amounts falling due within one year**

	2010	2009
	£	£
Prepayments and accrued income	50,159	-
	<u>50,159</u>	<u>-</u>

10 Creditors
Amounts falling due within one year

	2010	2009
	£	£
Trade Creditors	29,914	-
Accruals and deferred income	590,964	-
Amounts due to group companies	8,090,689	9,053,829
	<u>8,711,567</u>	<u>9,053,829</u>

11 Operating lease commitments

Annual commitments under non-cancellable operating leases at 31 December 2010 were as follows

	Land and buildings 2010	Other 2010	Land and buildings 2009	Other 2009
	£	£	£	£
Expiring				
Within one year	38,403	17,284	-	-
Between one and five years	-	17,202	-	-
	<u>38,403</u>	<u>34,486</u>	<u>-</u>	<u>-</u>

12 Called up share capital

	2010	2009
	£	£
Allotted, called up and fully paid 12,000,000 ordinary shares of £1 each	12,000,000	12,000,000
	<u>12,000,000</u>	<u>12,000,000</u>

WILLMOTT DIXON CAPITAL WORKS LIMITED

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Notes to the financial statements
for the year ended 31 December 2010

13 Reserves

	Share premium account £	Profit and loss account £
At 1 January 2010	5,406,868	4,369,503
Profit for the period	-	20,000,000
Dividends paid	-	(19,500,000)
At 31 December 2010	5,406,868	4,869,503

14 Reconciliation of movements in shareholder's funds

	2010 £	2009 £
Profit for the financial year	20,000,000	7,100,000
Dividends	(19,500,000)	(5,400,000)
Share issue	-	15,406,868
	500,000	17,106,868
Opening equity shareholders' funds	21,776,371	4,669,503
Closing equity shareholders' funds	22,276,371	21,776,371

15 Ultimate parent undertaking

The Company's immediate Parent Company is Willmott Dixon Holdings Limited, this is the smallest group for which consolidated financial statements are prepared

The Group Annual Report and Accounts of Willmott Dixon Holdings Limited can be found at www.WillmottDixonGroup.co.uk

Willmott Dixon Holdings Limited is jointly owned by Walsworth Limited and Hardwicke Investments Limited.

The Company's Ultimate Parent and controlling party is Hardwicke Investments Limited, this is the largest group for which consolidated financial statements are prepared. The consolidated financial statements of Hardwicke Investments Limited can be found at Companies House

WILLMOTT DIXON CAPITAL WORKS LIMITED

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Notes to the financial statements
for the year ended 31 December 2010

16 Group guarantees

The Company has, with the Ultimate Parent Company and certain fellow subsidiaries, entered into multi-lateral financial guarantees of £4,500,000 (2009 £19,900,000) in favour of The Royal Bank of Scotland plc as agent for National Westminster Bank plc to guarantee the Ultimate Parent Company's indebtedness to the bank

The Company is a party to multi-lateral cross guarantees given to various sureties that have issued performance bonds in favour of clients of fellow subsidiaries in respect of contracts entered into in the normal course of business

The Company has entered directly into certain financial guarantees concerning the performance of construction contracts entered into by subsidiary companies in the normal course of business

17 Related party transactions

The Company is entitled to the exemption from disclosing related party transactions with entities within the group in accordance with Financial Reporting Standard 8
There were no other related party transactions