

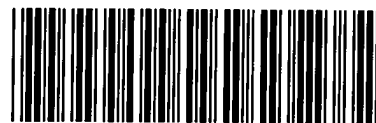
**Cedar (Maple Oak) Limited (formerly
Carillion (Maple Oak) Limited)**

Annual report and financial statements

Registered number 01469541

For the year ended 31 December 2017

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Directors' report

The directors present their report and the financial statements for the year ended 31 December 2017.

The name of the company was changed on 14 January 2019 from Carillion (Maple Oak) Limited.

Principal activities

During the year the company continued to manage development projects.

Business review

Turnover for the year was £9,043,000 (2016: £8,719,000 restated), reflecting the sale of four development sites during the year. The loss before tax for the year amounted to £12,997,000 (2016: £24,000 restated) largely reflecting write downs on inventories held at the year end to their net realisable value.

On 12 December 2018 the company was acquired by new owners, CRP Acquisitions Limited. There has been no change to the principal activities of the company following this change in ownership.

Principal risks

The main risks and uncertainties affecting the company are the current state of the property market.

Directors

The directors serving during the year and subsequently were:

SP Eastwood	(Resigned 12 December 2018)
LJ Mills	(Resigned 12 December 2018)
MW Orriss	(Resigned 12 December 2018)
CM Ives	(Resigned 12 December 2018)
Z Khan	(Resigned 11 September 2017)
LS Richardson	(Appointed 12 December 2018)
MF Richardson	(Appointed 12 December 2018)

Dividend

The directors do not recommend the payment of a dividend (2016: £nil).

Directors' liabilities

The company maintains an appropriate level of directors' insurance whereby directors are indemnified against liabilities to third parties to the extent permitted by the Companies Act 2006. The directors also benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Disclosure of information to the 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.

Post balance sheet event

Material post balance sheet events are disclosed in note 21 of the financial statements.

Auditor

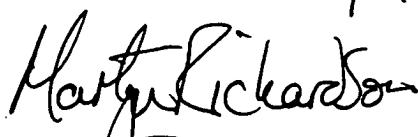
On 12 July 2018, KPMG LLP resigned as auditors and subsequently BDO LLP were appointed in their place.

In preparing the directors' report the directors have taken advantage of the exemptions allowed for small companies' as set out in the Companies Act 2006.

Approved by the Board on

11/07/2019

and signed on its behalf by:


MF Richardson
Director

100 Dudley Road East
Oldbury
West Midlands
B69 3DY

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 102 has 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Cedar (Maple Oak) Limited (formerly Carillion (Maple Oak) Limited)

Qualified opinion

We have audited the financial statements of Cedar (Maple Oak) Limited ("the Company") for the year ended 31 December 2017 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the Basis for qualified opinion section, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2017 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.

Basis for qualified opinion

With respect to the opening balances as at 1 January 2017 the audit evidence available to us was limited and the state of the company's records were such that we were unable to obtain satisfactory and appropriate evidence that the opening balances do not contain material misstatements that materially affect the current period's financial statements. Any adjustments to these opening balances would have an effect on the profit for the year ended 31 December 2017.

In addition, the company changed ownership on 12 December 2018. As a result the audit evidence available to us was limited and we have been unable to determine whether there are material misstatements in the statement of comprehensive income for the year ended 31 December 2017, or whether the appropriate accounting policies were consistently applied during the years ended 31 December 2016 and 31 December 2017.

Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the above matters by using other audit procedures.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for qualified opinion section above, we were unable to obtain sufficient appropriate audit evidence regarding the opening balances at 1 January 2017 and the statement of comprehensive income for the year ended 31 December 2017. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- we are unable to conclude whether or not the Directors' report has been prepared in accordance with applicable legal requirements in respect of the matters set out in the Basis for qualified opinion section above.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are unable to conclude whether or not the Director's report is materially misstated in respect of the matters set out in the Basis for qualified opinion section above.

In respect solely of the limitation on our work relating to the opening balances at 1 January 2017 and the statement of comprehensive income for the year to 31 December 2017, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been kept.

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:

- 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
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Alexander Tapp (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor

London
United Kingdom

Date: 12 July 2019

Statement of comprehensive income
for the year ended 31 December 2017

	<i>Note</i>	2017 £000	2016 restated £000
Turnover	4	9,043	8,719
Cost of sales		<u>(15,721)</u>	<u>(7,834)</u>
Gross profit		(6,678)	885
Administrative expenses		<u>(715)</u>	<u>(780)</u>
Operating (loss)/ profit		(7,393)	105
Provisions as a result of the insolvency of Carillion plc	5	(10,968)	-
Provisions on investments in joint ventures	12	(2,089)	-
Interest receivable and similar income	8	131	129
Interest payable and similar charges	9	(327)	(258)
Dividends received from investments		7,681	-
Loss on sale of JV		<u>(32)</u>	<u>-</u>
Loss on ordinary activities before taxation	6	(12,997)	(24)
Taxation on ordinary activities	10	(1,266)	(189)
Loss for the year and total comprehensive loss for the year		<u>(14,263)</u>	<u>(213)</u>

All activities relate to continuing operations.

The notes on pages 10 to 18 form part of these financial statements.

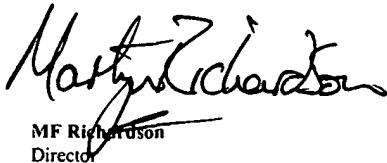
Balance sheet
at 31 December 2017

	Note	£000	2017 £000	2016 restated £000
Fixed assets				
Investments	11, 12		5,411	10,381
Current assets				
Stocks	13	10,775		21,497
Debtors	14	2,837		10,809
Cash at bank and in hand		-		712
		<u>13,612</u>		<u>33,018</u>
Creditors: amounts falling due within one year	15	<u>(20,227)</u>		<u>(11,248)</u>
Net current (liabilities)/ assets			(6,615)	21,770
Creditors: amounts falling due after more than one year	16		-	(19,092)
Net assets			<u>(1,204)</u>	<u>13,059</u>
Capital and reserves				
Called up share capital	18		20,050	20,050
Profit and loss account			(21,254)	(6,991)
Equity shareholders' funds			<u>(1,204)</u>	<u>13,059</u>

These financial statements were approved by the Board of Directors on

11/07/2019

and were signed on its behalf by:


MF Richardson
Director

Company registered number 01469541

Statement of changes in equity
for the year ended 31 December 2017

	Called up share capital £000	Profit and loss account £000	Total £000
Balance at 1 January 2016 - as previously reported	20,050	(7,089)	12,961
Prior year adjustment (see note 19)	-	311	311
Balance at 1 January 2016 - as restated	<u>20,050</u>	<u>(6,778)</u>	<u>13,272</u>
Total comprehensive loss for the year	-	(213)	(213)
Balance at 31 December 2016	<u>20,050</u>	<u>(6,991)</u>	<u>13,059</u>
Total comprehensive loss for the year	-	(14,263)	(14,263)
Balance at 31 December 2017	<u><u>20,050</u></u>	<u><u>(21,254)</u></u>	<u><u>(1,204)</u></u>

Cedar (Maple Oak) Limited (formerly Carillion (Maple Oak) Limited)

Notes

(forming part of the financial statements)

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial information.

Basis of accounting

Cedar (Maple Oak) Limited (the "Company") is a company incorporated and domiciled in the UK. The address of the registered office is 100 Dudley Road East, Oldbury, West Midlands, B69 3DY.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The amendments to FRS 102 (2016/17 Cycle) and effective immediately have been applied. In prior years, the company prepared accounts in accordance with FRS 101 Reduced Disclosure Framework. On transition from FRS 101 to FRS 102, there has been no change in the measurement of income and expenditure or assets and liabilities and therefore there has been no impact on either profit or net assets. The transition to FRS 102 has resulted in additional disclosures being made in relation to financial instruments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The preparation of the financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (see note 2).

Going concern

At the balance sheet date the company had net current liabilities of £6,615,000 and net liabilities of £1,204,000. Since the year end and following the demise of the Carillion group of companies, the company has made sales to exit certain developments and realise working capital. In addition, the company's principal creditor, Carillion Construction Limited waived the amount due to it.

The company has obtained a loan facility from a fellow group company, secured against the assets of the company, to develop the existing projects.

The directors have prepared forecasts and cash flow projections of the company for the next 12 months and based upon these and the new facility believe that the company will have sufficient funding to meet its obligations for the foreseeable future.

On this basis the directors believe that it is appropriate to prepare these financial statements on a going concern basis.

Investment in subsidiaries

Investments in subsidiaries represent shareholdings in entities where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Investments in subsidiaries are stated at cost less any provision for impairment.

Investments in joint ventures

Investments in joint ventures arise from contractual arrangements with one or more third parties to undertake an economic activity that is subject to joint control. Investments in joint ventures are recorded in the balance sheet at cost less any amounts provided in respect of impairment.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost includes appropriate overheads. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the statement of comprehensive income.

Notes (continued)

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Turnover

Income from the sale of developments is recognised in the statement of comprehensive income once, in the opinion of the directors, a binding contract of sale exists. Income is recognised to the extent that the company has obtained the right to consideration through its performance.

Taxation

Income tax comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the statement of comprehensive income.

Share capital and reserves

Called up share capital represents the nominal value of shares in issue.

Profit and loss account reserve represents cumulative profit or losses, net of dividends paid and other adjustments.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following significant judgements and estimates:

- stocks of development land and buildings have been written down to their net realisable value. Net realisable value is based on the directors best estimate of the likely recoverable amount using their experience and knowledge of valuations of similar land and buildings in the market place.
- investments in certain joint ventures have been impaired. The impairment assessment involved directors making estimates of the likely value of the investments based on their knowledge of the joint venture businesses and their future cash flows.

Notes (continued)

3. Prior year adjustments

Transition from FRS 101 to FRS 102

On transition from FRS 101 to FRS 102, there has been no change in the measurement of income and expenditure or assets and liabilities and therefore there has been no impact on either profit or net assets.

Prior year adjustments impacting net assets

During the course of the acquisition of this company by the new owners, the directors became aware of two fundamental errors which impact the profit recognised in the 2016 accounts. The impact of correcting these adjustments are shown in the table and with descriptions below.

- a) The first fundamental error related to the recognition of £2.2 million of revenue which had been incorrectly recorded in the books of this company. This has been corrected by reversing this revenue of £2.2 million and the related tax charge of
- b) The second fundamental error related to the recognition of £1.14 million of profit share payments where the company was accounting for its interest in Siglion LLP, its 50% joint venture incorrectly. An adjustment has been made to reverse this profit share against the profits in the prior year and the brought forward reserves, together with the related tax impact.

Prior year adjustments impacting balance sheet classification

During the course of the acquisition of this company by the new owners, the directors became aware of a number of further adjustments which impact the classification within the balance sheet. The impact of correcting these adjustments are shown in the table and with descriptions below.

- c) Investments of £2.5 million in relation to the company's 20% joint venture interest in Airport City Limited Partnership were incorrectly held in stock rather than investments. This has been reversed.
- d) The company had previously received a loan of £2.5 million in relation to its 50% investment in Siglion LLP, this loan was previously offset against the company's investment in Siglion LLP, an adjustment has been made to separate out the loan and the investment.
- e) The company had previously loaned £1.9 million to a 33% joint venture, this loan was previously held within development stock rather than within debtors, an adjustment has been made to separate out the loan.
- f) The company had previously received loans of £3.9 million in relation to development stock, these loans were previously offset against the company's development stock rather than showing in liabilities, an adjustment has been made to separate out the loan and the development stock.

Overall impact of prior year adjustments

Profit and loss account

	2016 as reported £'000	Impact of a) above £'000	Impact of b) above £'000				2016 as restated £'000
Turnover	10,919	(2,200)					8,719
Cost of sales	(8,663)		829				(7,834)
Gross profit	2,256	(2,200)	829	-	-	-	885
Administrative expenses	(780)						(780)
Interest receivable	129						129
Interest payable	(258)						(258)
Taxation	(745)	418	138				(189)
Profit after tax	602	(1,782)	967	-	-	-	(213)

Balance sheet

	2016 as reported £'000	Impact of a) above £'000	Impact of b) above £'000	Impact of c) above £'000	Impact of d) above £'000	Impact of e) above £'000	Impact of f) above £'000	2016 as restated £'000
Investments	5,381			2,500	2,500			10,381
Current assets								
Stock	23,831			(2,500)		(1,874)	3,928	23,385
Debtors	10,579	(1,782)	138			1,874		10,809
Cash at bank and in hand	712							712
	35,122	(1,782)	138	(2,500)	-	-	3,928	34,906
Creditors: amounts falling due within one year	(7,848)		1,141		(2,500)		(3,928)	(13,135)
Net current assets	27,274	(1,782)	1,279	(2,500)	(2,500)	-	-	21,771
Creditors: amounts falling due after more than one year	(19,092)							(19,092)
Net assets	13,563	(1,782)	1,279	-	-	-	-	13,060
Share capital	20,050							20,050
Profit and loss account								
At 1 January 2016	(7,089)		312					(6,777)
Profit for the year	602	(1,782)	967					(213)
At 31 December 2016	(6,487)	(1,782)	1,279	-	-	-	-	(6,990)
Equity shareholders' funds	13,563	(1,782)	1,279	-	-	-	-	13,060

Notes (continued)

4. Analysis of turnover

Turnover in the year of £9,043,000 includes £8,970,000 from the sale of land and buildings in stock and £73,000 of rental income. All turnover arises in the United Kingdom.

5. Provisions as a result of the insolvency of Carillion plc

	2017 £000	2016 £000
Provision for Carillion debtors	6,149	-
Provision for joint arrangements	3,682	-
Provision for bank balances	<u>1,137</u>	<u>-</u>
	<u>10,968</u>	<u>-</u>

On 15 January 2018 the company's ultimate parent company went into liquidation. This resulted in a number of provisions being required at 31 December 2017. The provisions include £6,149,000 owed from entities within the Carillion group which on liquidation are no longer considered recoverable. Together with £1,137,000 of bank balances which have been ring-fenced by the liquidator and therefore considered not recoverable. A further £3,682,000 due from joint arrangements were also considered not recoverable.

6. Profit on ordinary activities before taxation

	2017 £000	2016 £000
Profit on ordinary activities before taxation is stated after charging:		
Auditor's remuneration - audit work	<u>25</u>	<u>1</u>

The audit fee for 2016 payable to KPMG LLP was borne by a fellow Carillion plc group undertaking, Carillion Construction Limited.

The audit fee for 2017 is payable to BDO LLP, who were appointed as auditors in 2018.

7. Staff numbers and costs

The directors performed no material qualifying services for the company in respect of the current period and therefore received no emoluments.

8. Interest receivable and similar income

	2017 £000	2016 £000
Interest receivable from group undertakings	71	59
Other financial income	<u>60</u>	<u>70</u>
	<u>131</u>	<u>129</u>

9. Interest payable and similar charges

	2017 £000	2016 £000
Interest payable to group undertakings	303	207
Interest payable on external borrowings	<u>24</u>	<u>51</u>
	<u>327</u>	<u>258</u>

Notes (continued)

10. Taxation on ordinary activities

(a) Analysis of taxation (credit)/charge in the year

	2017 £000	2016 £000
UK corporation tax		
Current tax	-	159
Adjustment in respect of prior periods	(159)	30
Total current taxation	<u>(159)</u>	<u>189</u>
Deferred taxation		
Origination and reversal of timing differences	1,425	-
Total deferred taxation	<u>1,425</u>	<u>-</u>
Total taxation on ordinary activities	<u><u>1,266</u></u>	<u><u>189</u></u>

(b) Factors affecting the tax charge for the current year

The total tax charge/(credit) for the year is higher (2016: higher) than the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The difference is explained below:

	2017 £000	2016 £000
Total tax reconciliation		
(Loss)/profit on ordinary activities before taxation	(12,997)	(24)
Taxation on ordinary activities at 19.25% (2016: 20%)	(2,502)	(5)
Effects of:		
Expenses not deductible for tax purposes	4,155	100
Share of partnership profits	-	94
Income not taxable for tax purposes	(2,006)	-
Adjustment in respect of previous periods	(159)	30
Group relief for which no payment made	-	29
Chargeable gains/(losses)	(171)	-
Adjust closing deferred tax to average rate of 19.25%	280	-
Adjust opening deferred tax to average rate of 19.25%	(189)	-
(Utilisation of) losses on which no deferred tax recognised	433	(59)
De(recognition) of deferred tax on brought forward losses	<u>1,425</u>	<u>-</u>
Total tax charge for the year	<u><u>1,266</u></u>	<u><u>189</u></u>

(c) Factors that may affect future tax charges

The UK corporation tax rate reduced from 20% to 19% with effect from 1 April 2017. A further reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future tax charge accordingly.

Notes (continued)

11. Investments in subsidiaries

At 31 December 2017, the company held £2 ordinary shares in Arlington Real Estate (Durham City) Limited, representing 100% of the issued share capital. On 30 October 2018, Arlington Real Estate (Durham City) Limited was dissolved and as a result the company's investment of £2 has been provided for in these financial statements.

12. Investments in joint ventures

	2017 £000
Cost at the beginning of the year - as previously reported	5,381
Prior year adjustment	5,000
Cost at the beginning of the year - as restated	<u>10,381</u>
Disposals	(2,881)
Provisions	<u>(2,089)</u>
Cost at the end of the year	<u>5,411</u>

During the year, the company sold its interest in Ask Carillion Developments LLP and MGH Card LLP. At 31 December 2017, the company had interests in the following joint ventures:

	Registered office	Shareholding
Siglion LLP	Echo 24 Building, East Cross Street, Sunderland, SR1 1XB	50%
Airport City Limited Partnership	Olympic House, Manchester Airport, Manchester, M90 1QX	20%
Lodge Park Commercial Developments Limited	Crown House, Birch Street, Wolverhampton, WV1 4JX	50%
Durham Gate (Management Company) Limited	The Grange Business Centre, Belasis Avenue, Billingham, Cleveland, TS23 1LG	50%

Through Siglion LLP, the company indirectly holds Siglion Developments LLP and Siglion Investments LLP.

13. Stocks

	2017 £000	2016 restated £000
Development land and buildings	<u>10,775</u>	<u>21,497</u>

14. Debtors

	2017 £000	2016 restated £000
Trade debtors	2,049	517
Amounts owed by group undertakings	-	95
Amounts owed by joint ventures and related parties	-	8,578
Other debtors and prepayments	788	194
Deferred tax asset (see note 17)	-	1,425
	<u>2,837</u>	<u>10,809</u>

Amounts owed by fellow group undertakings attract interest at a rate which reflects the cost of borrowing to the group.

Notes (continued)

15. Creditors: amounts falling due within one year

	2017 £000	2016 restated £000
Bank loan	-	943
Trade creditors	-	621
Amounts owed to group undertakings	10,606	375
Amounts owed to joint ventures and related parties	-	7,287
Corporation tax	-	189
Other tax and social security costs	1,798	-
Other creditors and accruals	7,823	1,833
	<u>20,227</u>	<u>11,248</u>

16. Creditors: amounts falling due after more than one year

	2017 £000	2016 £000
Amounts owed to group undertakings	-	19,092
	<u>-</u>	<u>19,092</u>

17. Deferred taxation

	2017 £000	2016 £000
At the beginning of the year	1,425	1,425
Transfer to profit and loss account	(1,425)	-
At the end of the year	<u>-</u>	<u>1,425</u>

The elements of deferred taxation, which are included in debtors (note 13), are as follows:

	2017 £000	2016 £000
Tax losses	-	1,425
	<u>-</u>	<u>1,425</u>

18. Called up share capital

	2017 £000	2016 £000
Authorised, allotted, called up and fully paid: 20,050,000 ordinary shares of £1 each	<u>20,050</u>	<u>20,050</u>

Notes (continued)

19. Financial instruments

	2017 £000	2016 £000
Financial assets		
Financial assets measured at amortised cost	<u>2,837</u>	<u>10,096</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>18,428</u>	<u>11,059</u>

Financial assets measured at amortised cost comprise long-term loans made to joint ventures, trade debtors, amounts owed by group undertakings and related undertakings and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, other creditors, accruals and amounts owed to group undertakings and related undertakings.

20. Related party transactions

Sales, and debtor and creditor balances between the company and fellow subsidiaries and joint ventures within the Carillion plc group amounted to:

	2017				2016			
	Sales £000	Purchases £000	Debtors £000	Creditors £000	Sales £000	Purchases £000	Debtors £000	Creditors £000
Transactions with other Carillion plc group entities:								
J F Miller Limited							95	
Carillion Construction Limited		(200)		(10,606)		(200)		(10,291)
Carillion Plc								(9,172)
TPS Consult Limited								(4)
	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>(10,606)</u>	<u>-</u>	<u>(200)</u>	<u>95</u>	<u>(19,467)</u>
Transactions with entities over which there is joint control:								
Lodge Park Commercial Developments Limited							3,008	
Siglion LLP								(804)
Airport City LLP							3,285	
MGH Card Plc			1,910					
Carillion Richardson Partnership								(3,083)
CAS Trust							411	
	<u>-</u>	<u>-</u>	<u>1,910</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,704</u>	<u>(3,887)</u>
Transactions with other related parties								
Dukehill Finance Limited				(2,717)				(1,941)
Ontario Ventures Limited				(3,000)				(4,500)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,717)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,441)</u>

21. Post balance sheet events

Liquidation of previous ultimate controlling company

The company's previous immediate controlling company, Carillion JM Limited and the company's previous ultimate controlling company, Carillion plc, were placed into liquidation on 13 February 2018 and 15 January 2018 respectively.

Change in immediate and ultimate controlling company

On 12 December 2018, the company's entire share capital was acquired by CRP Acquisitions Limited, which is now the company's immediate controlling company. The company's ultimate controlling company is now Regalhill Limited, incorporated in the United Kingdom.

As part of the sale and purchase agreement that effected the change in control the amount due from Carillion plc of £6,149,000 was assigned to certain group companies of the acquirer and has been provided for in the 2017 statement of comprehensive income within 'Provisions as a result of the insolvency of Carillion plc'. Furthermore, the amount owed to a fellow subsidiary of the Carillion plc group of £10,606,458 was also agreed to be waived as part of the sale and purchase agreement, with this waiver to be accounted for in the 2018 financial statements.

Sale of interest in jointly controlled assets

On 24 October 2018, the company sold its interest in a joint venture arrangement for £1,850,000. The company's interest in this joint venture has been written down to its recoverable amount, leading to an impairment charge of £3,517,000 in the 2017 statement of comprehensive income within 'Provisions as a result of the insolvency of Carillion plc'.

Manchester Airport investment

On 4 December 2018, the company sold its interest Manchester Airport for £411,000. The company's interest in this joint venture has been written down to its recoverable amount, leading to an exceptional impairment charge of £2,089,000.

Sale of Siglion LLP

On 8 March 2019, the company sold its interest in Siglion LLP to Sunderland City Council for £6,903,594.

Notes (continued)

22. Contingent liabilities

The company was part of the Carillion Construction Limited VAT group and left this group on 1 May 2018. As a consequence the company was jointly liable to HM Revenue and Customs for any and all liabilities under that registration. The directors have received a copy of a deed dated 12 December 2018 signed by PricewaterhouseCoopers LLP as Special Managers to The Official Receiver covenanting that the known liabilities under this group registration at that time will be paid. On this basis and based on the fact that the company has not received any further correspondence from HM Revenue and Customs relating to any historical obligations as regards VAT believe that no provision should be made in these financial statements.

23. Controlling and parent companies

Up until 12 December 2018 the company's immediate controlling company was Carillion JM Limited, with Carillion plc being its ultimate parent company, which is incorporated in Great Britain and registered in England and Wales. On 15 January 2018, Carillion plc was placed into liquidation. On 12 December 2018 the company was sold to CRP Acquisitions Limited, which is now the company's immediate parent undertaking. Since the 12 December 2018 the ultimate parent is Regalhill Limited, incorporated in the United Kingdom, whose financial statements are available upon request from Companies House, Crown Way, Cardiff CF14 3UZ.