

Ricardo China Limited
Annual report and accounts
for the year ended 30 June 2011

Registered Number 05891521

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Ricardo China Limited
Annual report
for the year ended 30 June 2011
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Ricardo China Limited

Directors and advisers

Directors

D J Shemmans

P Bell

M Garrett

Secretary

A Bodkin

Registered Office

Shoreham Technical Centre

Shoreham-by-Sea

West Sussex

BN43 5FG

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accounts and Statutory Auditors

First Point

Buckingham Gate

Gatwick

West Sussex

RH6 0PP

Ricardo China Limited

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 30 June 2011. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Principal activities and review of business

The company is a wholly owned subsidiary of Ricardo UK Limited. There is no trading activity in the year.

Results and dividends

The Company's profit for the financial year was £nil (2010: £nil). No ordinary dividend was paid in 2011 (2010: £nil).

Future developments

The Directors are confident that the company is in a reasonable position for good performance in the future.

Directors

The directors who served during the year are listed below:

D J Shermans
P Bell
M Garrett

Directors' indemnity

The Company has purchased and maintained throughout the year and up until approval of these financial statements Directors' and Officers' liability insurance in respect of itself and its directors. The directors also have the benefit of the indemnity provisions in the Company's Articles of Association. The Company has entered into letter agreements for the benefit of the directors of the Company in respect of liabilities which may attach to them in their capacity as directors of the Company or associated companies. These provisions are qualifying third party indemnity provisions as defined in section 234 of the Companies Act 2006.

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 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 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

Ricardo China Limited

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.

Disclosure of information to auditors

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

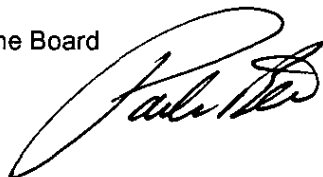
- So far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- The directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

By order of the Board

P Bell
Director

11th November 2011



Ricardo China Limited

Independent auditors' report to the members of Ricardo China Limited

We have audited the financial statements of Ricardo China Limited for the year ended 30 June 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Total Recognised Gains and Losses 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 Directors' Responsibilities Statement 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 of the financial and non-financial information in the Annual report and accounts 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 30 June 2011 and of its result 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.

Ricardo China Limited

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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report



Graham Lambert (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Gatwick

4 November 2011

Ricardo China Limited

Profit and loss account for the for the year ended 30 June 2011

		2011	2010
		£	£
Operating result	2	-	-
Loss on sale of investment	6	-	(15,541)
Interest receivable and similar income	4	-	15,541
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	5	-	-
Result for the year		-	-

All amounts relate to continuing operations

The profit on ordinary activities before taxation and the result for the financial year have been computed on the historical cost basis

The company had no recognised gains or losses other than the result for the year and therefore no separate statement of total recognised gains and losses has been prepared

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Balance sheet as at 30 June 2011

	Note	2011 £	2010 £
Current assets			
Debtors	6	1,000	1,000
Cash at bank		222	222
		1,222	1,222
Current liabilities			
Creditors - amounts falling due within one year	7	(222)	(222)
Net current liabilities		(222)	(222)
Net assets		1,000	1,000
Capital and reserves			
Called up share capital	8	1,000	1,000
Profit and loss account		-	-
Equity shareholder's funds		1,000	1,000

The financial statements on page 6 to 10 were approved by the board of directors on 11th November 2011 and were signed on its behalf by

P Bell
Director



Registered Number 05891521

Ricardo China Limited

Notes to the financial statements

1 Accounting policies

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been consistently applied, are set out below.

Going concern basis

The directors have received confirmation that Ricardo Plc intends to support the company for at least 1 year from the date of approval of these financial statements. After making enquiries, the directors consider the ultimate parent is in a position to give all necessary financial support based on the facilities available to Ricardo Plc.

The financial statements have been prepared under the going concern basis which is appropriate due to the continued financial support of the ultimate parent company Ricardo Plc.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, with the following exceptions:

- deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing difference can be reversed,
- provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of those replacement assets, and
- provision is made for the tax that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable.

Deferred tax is measured on a non-discounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign Currency

Monetary assets and liabilities expressed in foreign currency are translated into sterling at rates of exchange ruling at the date of the Balance Sheet. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

Cashflow statement and related party disclosures

The company is, indirectly, a wholly owned subsidiary of Ricardo plc and is included in the consolidated financial statements of Ricardo plc, which are publicly available. Consequently, the company has taken advantage of the exemptions from preparing a cash flow statement under the terms of FRS1 revised 1996 'Cash Flow Statements' and from disclosing related party transactions with wholly owned entities that are part of the Ricardo Plc group or investees of the Ricardo Plc Group under the terms of FRS8 'Related Party Disclosures'.

2 Operating result

There are no audit fees in either year as they were paid by another group company.

The company has no employees other than the directors.

3 Directors' remuneration

No emoluments were paid to any director in either year by the company.

The emoluments of all of the Directors were paid by the parent company. Their services to the company are considered incidental to their duties in respect of other group entities.

Ricardo China Limited

4 Interest receivable and similar income

	2011	2010
	£	£
Realised foreign currency gains	-	15,163
Gain on write off of intercompany loan	-	378
	-	15,541

5 Taxation on profit on ordinary activities

(a) Analysis of tax charge in year

	2011	2010
	£	£
Current tax		
UK corporation tax on profits of the year	-	-
Total tax on profit on ordinary activities	-	-

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

	2011	2010
	£	£
Profit on ordinary activities before taxation	-	-
Profit on ordinary activities multiplied by the effective rate of corporation tax of 27.5% (2010: 28%)	-	-
Effect of:		
Expenses not deductible for tax purposes	-	4,246
Group relief claimed	-	(4,246)
Current tax charge for the year	-	-

Ricardo China Limited

6 Debtors

	2011	2010
	£	£
Amounts falling due within one year		
Amounts owed by group undertakings	1,000	1,000

Amounts owed by group undertakings are unsecured, interest free and have no fixed date for repayment

7 Creditors – amounts falling due within one year

	2011	2010
	£	£
Amounts owed to group undertakings	222	222

Amounts owed to group undertakings are unsecured, interest free and have no fixed date for repayment

8 Share capital

	2011	2010
	£	£
Authorised		
1,000 (2010 1,000) ordinary shares of £1 each	1,000	1,000
Allotted, called up and fully paid		
1,000 (2010 1,000) ordinary shares of £1 each	1,000	1,000

9 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Ricardo UK Limited and the ultimate parent undertaking and controlling party is Ricardo plc, which is the parent of the smallest and largest group to consolidate these financial statements. Copies of the Ricardo plc consolidated financial statements can be obtained from the Company Secretary, Ricardo plc, Shoreham Technical Centre, Shoreham-by-Sea, West Sussex, BN43 5FG