

Registered number SC194813

CALA 1999 Limited
Directors' report and financial statements
for the year ended 30 June 2012



CALA 1999 Limited

Directors' report and financial statements for the year ended 30 June 2012

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CALA 1999 Limited

Directors and advisers

Directors

J G G Reid

R J Millar

A D Brown

Professor J P (Ian) Percy CBE (Resigned 31 March 2012)

M J Freshney

Company secretary

M R Sibbald

Registered office

Adam House

5 Mid New Cultins

Edinburgh

EH11 4DU

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Erskine House

68-73 Queen Street

Edinburgh

EH2 4NH

CALA 1999 Limited

Registered number: SC194813

Directors' report for the year ended 30 June 2012

The directors present their report and the audited financial statements of the company for the year ended 30 June 2012.

Principal activities

The principal activity of the company is the provision of administrative services to other members of the CALA group. The principal activity of the company remained unchanged throughout the year and the directors do not anticipate any change in the principal activity in the foreseeable future.

Directors

The directors of the company at 30 June 2012 and who served throughout the year and up to the date of this report are shown on page 1.

Results

The results of the company show a loss before taxation of £500,019 (2011: loss before tax £250,000) for the financial year.

Future outlook

The directors do not anticipate any significant changes in the company's trading results as the level of administrative services provided is unlikely to change.

Principal risks and uncertainties

Due to the limited level of trading undertaken by the company, the directors believe that there are no specific risks which require to be reported.

Key performance indicators

The directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the company.

Dividends

The directors do not recommend payment of a dividend (2011: £nil).

CALA 1999 Limited

Directors' report for the year ended 30 June 2012 (continued)

Independent auditors and disclosure of information to auditors

Each director, as at the date of this report, has confirmed that insofar as they are aware there is no relevant audit information (that is, information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution concerning their re-appointment will be proposed at the next annual general meeting of the company.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



M R Sibbald

Company secretary

3 September 2012

CALA 1999 Limited

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.

The Directors' responsibilities were approved by the board on 3 September 2012 and signed on its behalf by:



J G G Reid
Director

CALA 1999 Limited

Independent auditors' report to the members of CALA 1999 Limited

We have audited the financial statements of CALA 1999 Limited for the year ended 30 June 2012 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4 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 Directors' 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.

CALA 1999 Limited

Independent auditors' report to the members of CALA 1999 Limited (continued)

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 2012 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.

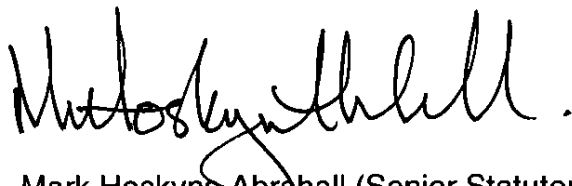
Opinion on other matter prescribed by the Companies Act 2006

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.



Mark Hoskyns-Abraham (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

3 September 2012

CALA 1999 Limited

Profit and loss account for the year ended 30 June 2012

	Note	2012 £	2011 £
Net interest payable	2	(500,019)	(250,000)
Loss on ordinary activities before taxation	3	<u>(500,019)</u>	<u>(250,000)</u>
Tax on loss on ordinary activities	5	-	86,291
Loss for the financial year	9	<u>(500,019)</u>	<u>(163,709)</u>

All operations are continuing.

The company has no recognised gains or losses other than those recognised above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the loss on ordinary activities before taxation and the loss for the financial year, and their historical cost equivalents.

CALA 1999 Limited

Balance sheet as at 30 June 2012

	Note	2012 £	2011 £
Fixed assets			
Investments	6	<u>151,024,861</u>	<u>151,024,861</u>
Current assets			
Debtors	7	31,754,736	32,254,737
Creditors: amounts falling due within one year			
Bank overdraft		<u>(18)</u>	<u>-</u>
Net current assets		<u>31,754,718</u>	<u>32,254,737</u>
Net assets		<u>182,779,579</u>	<u>183,279,598</u>
Capital and reserves			
Called up share capital	8	2,240,231	2,240,231
Share premium account	9	221,638,783	221,638,783
Profit and loss account	9	<u>(41,099,435)</u>	<u>(40,599,416)</u>
Total shareholders' funds	10	<u>182,779,579</u>	<u>183,279,598</u>

The financial statements on pages 7 to 16 were approved by the board of directors on 3 September 2012 and were signed on its behalf by:



J G G Reid
Director

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012

1. Accounting Policies

The financial statements have been prepared on a going concern basis under historic cost convention and in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies is set out below. All policies have been applied consistently.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, which have been consistently applied.

Cash flow statement

The cash flows of the company are included within the cash flow statement disclosed in the consolidated financial statements of the parent company, CALA Group Limited. The company is therefore exempt from the requirement within Financial Reporting Standard number 1 'Cash flow statements' (revised 1996) to prepare a cash flow statement.

Consolidated financial statements

The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, CALA Group Limited.

Investments

Investments are carried in the balance sheet at the lower of cost or directors' valuation. Provisions are made where necessary to reflect any permanent impairment in value.

Interest

Interest incurred by the company is charged to the profit and loss account in that period.

CALA 1999 Limited

Statement of accounting policies (continued)

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Bank facility arrangement fees

Bank facility arrangement fees are charged to profit and loss account over the period of the facility.

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012

2. Net interest payable

	2012 £	2011 £
Bank loans and overdrafts	19	-
Bank facility arrangement fees	500,000	250,000
	<u>500,019</u>	<u>250,000</u>

3. Loss on ordinary activities before taxation

Auditors' remuneration is borne by another group company. Fees in respect of audit services were £1,196 (2011: £1,155). Fees in respect of taxation services were £1,750 (2011: £1,670).

4. Directors and employees

	2012 Number	2011 Number
The average monthly number of employees during the year was made up as follows:		
Directors	<u>5</u>	<u>5</u>

There were no employment costs during the year (2011 : £nil).

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

3. Tax on loss on ordinary activities

	2012 £	2011 £
(a) Analysis of tax credit in the year		
United Kingdom corporation tax on losses of the year	-	-
Adjustments in respect of prior years	-	(86,291)
	-	(86,291)

(b) Factors affecting tax credit for the year

The difference between the current tax credit on ordinary activities for the year reported in the profit and loss account, and the current year credit which would result from applying a relevant standard rate of tax to the loss on ordinary activities before tax is explained as follows:

	2012 £	2011 £
Loss on ordinary activities before tax	(500,019)	(250,000)
Loss on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom 25.5% (2011: 27.5%)	(127,505)	(68,753)
Effects of:		
Other timing differences	127,505	68,753
Adjustments in respect of prior years	-	(86,291)
Current tax credit for the year	-	(86,291)

(c) Factors affecting future tax charges

The rate of Corporation tax was reduced to 24% effective from 1 April 2012. The impact of the reduction in the Corporation tax rate is reflected in the table above.

In addition to the changes in rates of Corporation tax disclosed above a number of further changes to the UK Corporation tax system were announced in the March 2012 UK Budget Statement. Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 is expected to be included in the Finance Act 2012. A further reduction to the main rate is proposed to reduce the rate to 22% from 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements.

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

6. Fixed Asset Investments

Subsidiary undertakings

Cost	£
At 1 July 2011 and 30 June 2012	<u>201,970,798</u>
Amounts written off	£
At 1 July 2011 and 30 June 2012	<u>50,945,937</u>
Book value as at 30 June 2012	<u>151,024,861</u>
Book value as at 30 June 2011	<u>151,024,861</u>

The company's investment represents 100% of the issued share capital of its subsidiary, CALA Limited.

The following subsidiaries are held indirectly through the company's holding in CALA Limited:

Name of company	% of £1 ordinary shares held	Accounting year end	Nature of business
CALA Homes (East) Limited *	100	30 June	House building
CALA Homes (West) Limited *	100	30 June	House building
CALA Homes (South) Limited *	100	30 June	House building
CALA Homes (Midlands) Limited *	100	30 June	House building
CALA Finance Limited *	100	30 June	Provision of finance and house building services
CALA Properties Limited *	100	30 June	Property development
CALA Land Investments Limited	50	30 June	Land acquisition

The other 50% of the share capital of CALA Land Investments Limited is owned by another group company.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

All the above companies are incorporated in Great Britain.

CALA Management Limited is the group's principal operating subsidiary and its share capital is owned by another group company. All companies marked * above are agents of CALA Management Limited.

7. Debtors

	2012 £	2011 £
Amounts owed by group undertakings	31,754,736	31,699,179
Prepayments	-	(555,558)
	<u>31,754,736</u>	<u>32,254,737</u>

8. Called up share capital

	Allotted and fully paid 2012 Number	Allotted and fully paid 2011 Number
Non-equity share capital:		
'A' ordinary shares of 1p each	217,468,550	217,468,550
'B' ordinary shares of 1p each	4,148,450	4,148,450
'C1' ordinary shares of 1p each	1,227,131	1,227,131
'C2' ordinary shares of 1p each	1,179,007	1,179,007
	<u>224,023,138</u>	<u>224,023,138</u>

	Allotted and fully paid 2012 £	Allotted and fully paid 2011 £
Non-equity share capital:		
'A' ordinary shares of 1p each	2,174,685	2,174,685
'B' ordinary shares of 1p each	41,485	41,485
'C1' ordinary shares of 1p each	12,271	12,271
'C2' ordinary shares of 1p each	11,790	11,790
	<u>2,240,231</u>	<u>2,240,231</u>

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

9. Reserves

	Share Premium account £	Profit and loss account £	Total £
At 1 July 2011	221,638,783	(40,599,416)	181,039,367
Loss for the financial year	-	(500,019)	(500,019)
At 30 June 2012	<u>221,638,783</u>	<u>(41,099,435)</u>	<u>180,539,348</u>

10. Reconciliation of movements in shareholders' funds

	2012 £	2011 £
Loss for the financial year	(500,019)	(163,709)
Opening shareholders' funds	<u>183,279,598</u>	<u>183,443,307</u>
Closing shareholders' funds	<u>182,779,579</u>	<u>183,279,598</u>

11. Unrecognised deferred tax asset

	2012 £	2011 £
Tax losses carried forward	<u>358,345</u>	<u>259,928</u>

Following due consideration of the availability of tax losses in relation to future anticipated taxable profits, the deferred tax asset has not been recognised. The deferred tax asset not recognised will be recoverable should there be appropriate future taxable profits. The closing potential deferred tax asset is calculated using the rate of 24%.

CALA 1999 Limited

Notes to the financial statements for the year ended 30 June 2012 (continued)

12. Ultimate holding company and controlling party

The immediate and ultimate parent undertaking and controlling party is CALA Group Limited.

CALA Group Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of CALA Group Limited are available from Adam House, 5 Mid New Cultins, Edinburgh, EH11 4DU.

13. Related parties

The company has taken advantage of an exemption offered by Financial Reporting Standard number 8 'Related party disclosures', with regard to the non disclosure of related party transactions in respect of transactions with other group companies consolidated within the financial statements of CALA Group Limited.