COMPANY REGISTRATION NUMBER 05681721

BRISTOL LEP LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2012



BRISTOL LEP LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31st DECEMBER 2012

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BRISTOL LEP LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Adam Waddington John Wrinn Sinesh Shah Paul Bannister Paul Shadbolt Peter Robinson Will Godfrey Nick English David Jones David Blanchard Robin Poole
Company secretary	MAMG Company Secretarial Services Limited
Registered office	1 Gresham Street London EC2V 7BX
Auditor	KPMG LLP Chartered Accountants 15 Canada Square London E14 5GL

BRISTOL LEP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31st DECEMBER 2012

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2012

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW
The company has entered into contracts with Bristol City Council to undertake development of schools projects in the Bristol area and also the provision of ICT services

On 3 July 2006, the company entered into a contract with Bristol PFI Limited, a fellow group company, to provide Contract Management Services Bristol PFI Limited entered into a contract with Bristol City Council to undertake the design, build, financing and operation of 4 schools in the Bristol area - Speedwell Technology College, Whitfields Fishponds Community School, Brislington Enterprise College and Hartcliffe Education Campus

RESULTS AND DIVIDENDS
The profit for the year, after taxation, amounted to £152,000 (2011 £58,000 loss) The directors have reviewed the performance of the business and the projected pipeline of new projects from Bristol City Council and consider that the performance will improve over the coming year

The directors do not recommended the payment of a dividend (2011 £nil)

POLITICAL AND CHARITABLE CONTRIBUTIONS
The Company made no political or charitable donations in the year (2011 £nil)

DIRECTORS
The directors who served the company during the year were as follows

Adam Waddington (resigned 14 September 2012)
John Wrinn
Sinesh Shah (appointed on 14 September 2012 and resigned on 29 July 2013)
Paul Bannister
Paul Shadbolt
Peter Robinson
Will Godfrey (resigned 29 April 2013)
Nick English (resigned 01 August 2012)
David Jones (appointed 29 July 2013)
David Blanchard (alternate - appointed 15 August 2012 and resigned on 28 June 2013)
Robin Poole (alternate - appointed 25 April 2013)

None of the directors who held office at the end of the year had any disclosable interest in the shares of the company

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware

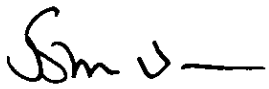
there are no relevant audit information of which the group's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

AUDITOR
KPMG LLP is deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
1 Gresham Street
London
Surrey
EC2V 7BX

Signed on behalf of the directors



John Wrinn Director

Approved by the directors on 30th September 2013

BRISTOL LEP LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

YEAR ENDED 31st DECEMBER 2012

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 those 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,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

Since the directors are satisfied that the company has the resources to continue in business for the foreseeable future, the financial statements continue to be prepared on the going concern basis

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 BRISTOL LEP LIMITED

We have audited the financial statements of Bristol LEP Limited for the year ended 31 December 2012 set out on pages 5 to 14 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

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 Out 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 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 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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www frc org uk/auditscopeukprivate

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 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

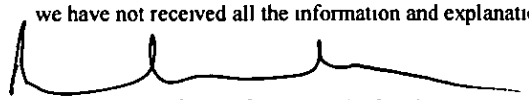
Opinion on other matter prescribed by the Companies Act 2006

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



Andrew Marshall (Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square
London E14 5GL

30th September 2013

BRISTOL LEP LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31st DECEMBER 2012

	Note	2012 £000	2011 £000
TURNOVER	2	**13,573**	18,428
Cost of sales		**(13,395)**	(18,501)
GROSS PROFIT/(LOSS)		**178**	(73)
Administrative expenses		**(20)**	(19)
OPERATING PROFIT/(LOSS)	3	**158**	(92)
Income from participating interests	5	**–**	10
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		**158**	(82)
Tax on ordinary activities	6	**(6)**	24
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**152**	(58)

All of the activities of the company are classed as continuing

There is no difference between the profit for the financial year as shown in the profit and loss account and their historical cost equivalents

There is no difference between the profit for the financial year and the total recognised gains and losses relating to the year, and therefore no separate statement of total recognised gains and losses has been presented

The notes on pages 8 to 14 form part of these financial statements

BRISTOL LEP LIMITED

BALANCE SHEET

31st DECEMBER 2012

	Note	2012 £000	£000	2011 £000	£000
FIXED ASSETS					
Investments	7		1		5
CURRENT ASSETS					
Debtors	8	4,215		2,817	
Cash at bank		1,025		388	
		5,240		3,205	
CREDITORS: Amounts falling due within one year	10	(4,806)		(2,927)	
NET CURRENT ASSETS			434		278
TOTAL ASSETS LESS CURRENT LIABILITIES			434		283
NET ASSETS			435		283
CAPITAL AND RESERVES					
Called-up equity share capital	13		150		150
Profit and loss account	14		285		133
SHAREHOLDERS' FUNDS	15		435		283

These financial statements were approved by the directors and authorised for issue on 30th September 2013 and are signed on their behalf by

John Wrinn
Director
Company Registration Number 05681721

The notes on pages 8 to 14 form part of these financial statements

BRISTOL LEP LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31st DECEMBER 2012

	Note	2012 £000	2011 £000
Net cash inflow from operating activities	16	637	(1,180)
Returns on investments and servicing of finance	16	-	10
Equity dividends paid		-	(10)
CASH INFLOW/(OUTFLOW) BEFORE FINANCING		637	(1,180)
Financing	16	–	–
INCREASE/(DECREASE) IN CASH		637	(1,180)

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

		2012		2011	
		£000	£000	£000	£000
Increase/(Decrease) in cash in the period		637		(1,180)	
Net cash outflow from long-term amounts owed to group undertakings		–		–	
			637		(1,180)
Change in net funds	16		637		(1,180)
Net funds at 1 January 2012	16		388		1,568
Net funds at 31 December 2012	16		1025		388

The notes on pages 8 to 14 form part of these financial statements

1 ACCOUNTING POLICIES

Basis of preparation of financial statements

A summary of the company's principal accounting policies, which have been consistently applied for both financial years is set out below

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with applicable UK Accounting Standards and the Companies Act 2006

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future Thus they continue to adopt the going concern basis in preparing the annual financial statements

Turnover

Turnover represents income from services provided to other companies for management services and also fees due upon completion of projects for Bristol City Council that the company has undertaken

Investments

Investments held as fixed assets are shown at cost less provision for impairment

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i e forming part of shareholders' funds) only to the extent that they meet the following two conditions

a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company, and

b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments

1. ACCOUNTING POLICIES *(continued)*

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds

Dividends on shares presented within equity

Dividends are only recognised as a liability to the extent that they are declared prior to the year end Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

2 TURNOVER

An analysis of turnover by class of business is as follows

	2012	2011
	£000	£000
Recharged project costs	**11,972**	17,260
Management services fees	**1,601**	1,168
	13,573	18,428

All turnover arose within the United Kingdom

3. OPERATING PROFIT/(LOSS)

Operating result is stated after charging

	2012	2011
	£000	£000
Auditor's remuneration		
- as auditor	**7**	8

4. PARTICULARS OF EMPLOYEES

There were no employees in the year (2011 nil) Directors' emoluments were incurred by the shareholders of the parent undertaking

5. INCOME FROM PARTICIPATING INTERESTS

	2012	2011
	£000	£000
Dividends receivable	**–**	10

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2012 £000	2011 £000
Deferred tax		
Origination and reversal of timing differences	-	(24)
Current tax	36	-
Prior year adjustment	(32)	-
Rate adjustments	2	-
Total deferred tax (see note 9)	-	(24)
Tax on profit/(loss) on ordinary activities	6	(24)

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is the same (2011 lower than) as the standard rate of corporation tax in the UK of 24 5% (2011 26 5%) as set out below

	2012 £000	2011 £000
Profit/(loss) on ordinary activities before taxation	158	(82)
Profit/(loss) on ordinary activities by rate of tax	38	(24)
Effects of		
Utilisation of tax loss	(32)	
Total current tax (note 6(a))	6	(24)

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £000
COST	
At 1 January	5
Disposals	(4)
At 31 December	1
NET BOOK VALUE	
At 1 January	5
Disposals	(4)
At 31 December	1

On 24 September 2012 the company sold 4,100 £1Ordinary 'C' shares in Bristol PFI (Holdings) Limited at par for cash

Investments in a fellow subsidiary undertaking comprise £1,000 £1 ordinary 'C' shares in Bristol PFI (Holdings) Limited, a company registered in England and Wales, representing a 10% equity interest This is a holding company of a wholly owned subsidiary, Bristol PFI Limited, which is engaged in the design, building, financing and operating of four schools in the Bristol area In the opinion of the directors, the value of the investment is not less than that shown on the balance sheet

8. DEBTORS

	2012	2011
	£000	£000
Trade debtors	3,681	2,452
Prepayments and accrued income	373	173
Deferred taxation (note 9)	21	27
VAT receivable	109	165
Corporation tax receivable	31	-
	4,215	2,817

9 DEFERRED TAXATION

The deferred tax included in the Balance sheet is as follows

	2012	2011
	£000	£000
Included in debtors (note 8)	–	27

The movement in the deferred taxation account during the year was

	2012	2011
	£000	£000
Balance brought forward	27	3
Profit and loss account movement arising during the year	32	24
Rate adjustments	(2)	-
Utilisation of tax loss	(36)	
Balance carried forward	21	27

The deferred tax asset is made up as follows

	2012	2011
	£000	£000
Tax losses carried forward	–	–

The tax assessed on the profit on ordinary activities for the year is same as the standard rate of corporation tax in the UK of 24 5% (2011 – 26 5%)

A reduction in the UK corporation tax rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively This will reduce the company's future current tax charge accordingly The deferred tax liability at 31 December 2012 has been calculated based on the rate of 23% substantively enacted at the balance sheet date

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax liability accordingly

10. CREDITORS: Amounts falling due within one year

	2012	2011
	£000	£000
Trade creditors	4,551	2,440
Other creditors including taxation		
Accruals and deferred income	255	487
	4,806	2,927

11. CONTINGENCIES

There are no contingent liabilities (2011 £nil)

12. RELATED PARTY TRANSACTIONS

The company is owned by Bristol City Council (10%), Building Schools for the Future Investments (Bristol) Limited (10%) and Skanska Infrastructure Development UK Limited (80%) The Skanska group of companies has interests in certain contracts placed by the Company for the Administrative Services, Company Secretarial Services and Contract Management Services

On 3 July 2006 the company entered into contract with Bristol PFI Limited, a wholly owned company of Bristol PFI (Holdings) Limited, to provide Administrative Services, Company Secretarial Services and Contract Management Services The value of work in the year under contract was £435,078 (2011 £360,058) of which £nil (2011 £120,242) was included in accrued income, £nil (2011 £nil) included in deferred income and £nil (2011 £nil) included in trade debtors at the year end

On 3 July 2006 the company entered into contracts with Skanska Infrastructure Development UK Limited for them to provide Administrative Services, Company Secretarial Services and Contract Management Services to Bristol LEP Limited The value of work in the year under contract was £2,304,899 (2011 £1,521,521) of which £nil (2011 £546,007) was included in accruals and £46,532 (2011 £59,249) included in trade creditors at the year end

On 3 July 2006 the company entered into contracts with Bristol City Council for the provision of construction and ICT services to schools within the Bristol area The value of work in the year was £13,138,456 (2011 £18,067,466) of which £nil (2011 £nil) was included in accrued income and £3,681,014 (2011 £2,444,667) was included in trade debtors at the year end

On 3 July 2006 the company entered into contracts with BSF ICT Limited for the provision of ICT services to Bristol City Council The value of work in the year was £nil (2011 £896,710) of which £nil (2011 £nil) was outstanding and £18,319 (2011 £19,244) was in accruals at the year end

Skanska JV Projects Ltd is wholly owned by Skanska UK Construction Ltd which itself is owned by Skanska AB Services provided to the company in the year totalled £11,972,957 (2011 £16,080,556) of which £nil (2011 £183,529) including VAT was included in creditors at the year end and of which £4,124,811 (2011 £2,368,194) was included in accruals at the year end

During the year Bristol LEP Limited sold it shares in Bristol PFI Limited The value of the sale was £4,100 (2011 £nil)

13. SHARE CAPITAL

Allotted, called up and fully paid:

	2012		2011	
	No	**£000**	No	£000
Ordinary 'A' shares of £1 each	**15,000**	**15**	15,000	15
Ordinary 'B' shares of £1 each	**15,000**	**15**	15,000	15
Ordinary 'C' shares of £1 each	**120,000**	**120**	120,000	120
	150,000	**150**	150,000	150

14. PROFIT AND LOSS ACCOUNT

	2012	2011
	£000	£000
Balance brought forward	**133**	201
Profit/(Loss) for the financial year	**152**	(58)
Dividends paid	**-**	(10)
Balance carried forward	**285**	133

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2012	2011
	£000	£000
Profit/(loss) for the financial year	**152**	(58)
Opening shareholders' funds/(deficit)	**283**	351
Dividends paid	**-**	(10)
Closing shareholders' funds/(deficit)	**435**	283

16. NOTES TO THE CASH FLOW STATEMENT

RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES

	2012	2011
	£000	£000
Operating profit/(loss)	**158**	(92)
(Increase)/decrease in debtors	**(1,364)**	2,587
Decrease/(increase) in creditors	**1,884**	(3,699)
Net cash inflow from operating activities	**676**	(1,204)

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2012	2011
	£000	£000
Income from participating interests	**–**	10
Interest paid	**–**	–
Net cash inflow from returns on investments and servicing of finance	**–**	10

16. NOTES TO THE CASH FLOW STATEMENT *(continued)*

TAXATION

	2012 £000	2011 £000
Tax paid	(39)	24

FINANCING

	2012 £000	2011 £000
Repayment of long-term amounts owed to group undertakings	–	–
Net cash outflow from financing	–	–

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2012 £000	Cash flows £000	At 31 Dec 2012 £000
Net cash			
Cash in hand and at bank	**388**	**637**	**1,025**
Debt			
Debt due after 1 year	–	–	–
Net funds	**388**	**637**	**1,025**

17. ULTIMATE PARENT COMPANY

The company is jointly controlled by its shareholders and therefore does not have a single controlling party