

# **Balfour Beatty Engineering Services (CL) Limited**

Annual report and financial statements  
for the year ended 31 December 2012

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**BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**for the year ended**

**31 DECEMBER 2012**

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## **BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

### **DIRECTORS' REPORT**

The Directors present their annual report on the affairs of the Company, together with the financial statements and auditor's report for the year ended 31 December 2012. This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

#### **Principal activities and business review**

The Company acts as an agent of Balfour Beatty Group Limited in the business of design, supply, erection and commissioning of high voltage electrical equipment and manufacture of related equipment. The transactions in respect of the activities performed by Balfour Beatty Engineering Services (CL) Limited in its capacity as agent are dealt with in the financial statements of Balfour Beatty Group Limited. The Directors expect there to be no changes in the activities or prospects of the Company.

#### **Results**

The Company has not traded on its own account during the current or preceding year and has made neither a profit nor a loss, nor any other recognised gain or loss, and accordingly no profit and loss account or statement of total recognised gains and losses is presented within the financial statements. The financial statements for the year ended 31 December 2012 are set out on pages 5 to 7.

#### **Directors**

The Directors of the Company, who served during the year and up to the date of this report, were:

J G Bochel  
J E Tiernan  
D Morrice  
R M Griffiths  
J F Robbie

Resigned 4 April 2013

#### **Financial instruments**

The Company's activities do not expose it to price risk, liquidity risk or cash flow risk. The Company's financial assets are amounts owed by other Balfour Beatty Group undertakings, for which the associated credit risk is limited. The Company has not used financial instruments to change its exposure to any of the above risks.

#### **Going Concern**

Having made appropriate enquiries, the Directors consider it reasonable to assume that the Company has adequate resources to continue for the foreseeable future and, for this reason, have continued to adopt the going concern basis in preparing the financial statements.

#### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the annual 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 as at the end of the financial year 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

# **BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

## **DIRECTORS' REPORT (continued)**

### **Statement of Directors' responsibilities (continued)**

The Directors are responsible for keeping adequate accounting records that are sufficient to:

- show and explain the Company's transactions;
- 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.

The Directors 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 the auditor**

Each of the Directors 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 auditor is unaware; and
- the Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is 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.

### **Auditor**

Deloitte LLP has indicated its willingness to continue as auditor to the Company and, in accordance with Section 487 of the Companies Act 2006, it will be deemed to be reappointed unless the deemed reappointment is prevented by the members under Section 488 of the Companies Act 2006.

### **Registered office**

Midmill Business Park  
Tumulus Way  
Kintore  
Aberdeenshire  
AB51 0TG

By order of the Board



G MUTCH  
Secretary

Dated: 27<sup>th</sup> September 2013

## **INDEPENDENT AUDITOR'S REPORT**

### **to the members of**

### **BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

We have audited the financial statements of Balfour Beatty Engineering Services (CL) Limited for the year ended 31 December 2012, which comprise the Balance Sheet and the related Notes 1 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 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.

#### **Respective responsibilities of Directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 and of the Company's 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.

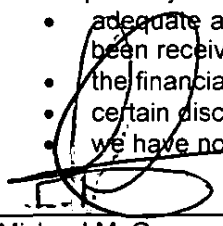
#### **Opinion on other matter prescribed by the Companies Act 2006**

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.

#### **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

  
Michael McGregor ACA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Edinburgh, United Kingdom

Dated: 18<sup>th</sup> October 2013

**BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

**BALANCE SHEET**

**as at 31 December 2012**

|                                               | Notes | 2012<br>£000 | 2011<br>£000 |
|-----------------------------------------------|-------|--------------|--------------|
| CURRENT ASSETS                                |       | 3,465        | 3,465        |
| Debtors – amounts falling due within one year | 4     |              |              |
|                                               |       | 3,465        | 3,465        |
| TOTAL CURRENT ASSETS and TOTAL ASSETS         |       |              |              |
| CAPITAL AND RESERVES                          |       |              |              |
| Called-up share capital                       | 5     | 3,282        | 3,282        |
| Profit and loss account                       |       | 183          | 183          |
|                                               |       | 3,465        | 3,465        |
| SHAREHOLDERS' FUNDS                           |       |              |              |

The Company has made neither a profit nor a loss, nor any other recognised gain or loss. Consequently, no profit and loss account or statement of total recognised gains and losses is presented. No reconciliation of movements in shareholders' funds is presented as there were no such movements.

These financial statements of Balfour Beatty Engineering Services (CL) Limited registered number SC034279 were approved by the Board of Directors on 27<sup>th</sup> September 2013 and signed on its behalf by

  
RM Griffiths, Director  
27<sup>th</sup> September 2013

## **BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Generally Accepted Accounting Practice. This policy has been applied consistently throughout the year, and the preceding year. The financial statements have been prepared on a going concern basis as discussed in the Directors' Report on page 2.

In accordance with the provisions of FRS 1 "Cash Flow Statements", the Company has not prepared a cash flow statement because its ultimate parent undertaking, Balfour Beatty plc, prepares consolidated financial statements which include the Company and are publicly available.

2. Trading results

All transactions were entered into as agent of Balfour Beatty Group Limited in whose financial statements such transactions were recorded. The Company has not traded on its own account during the year or the preceding year and accordingly has made neither a profit nor a loss, nor any other recognised gain or loss. No profit and loss account or statement of total recognised gains and losses is therefore presented, and the Company has no recognised gains or losses in either year. The auditor's remuneration for the audit of the Company's accounts was £1,200 (2011: £1,050) and has been borne by Balfour Beatty Group Limited in both years.

3. Employee and Director costs

The Company has entered into employment contracts with employees in relation to its activities as agent of Balfour Beatty Group Limited. Balfour Beatty Group Limited has payroll and pension responsibility for the Company's employees and all employees and employment and pension costs are recorded in Balfour Beatty Group Limited's financial statements for the year and the preceding year.

The remuneration for the services to the Company of the 5 Directors (2011:5) is recorded in the financial statements of Balfour Beatty Group Limited.

4. Debtors – amounts falling due within one year

|                                | 2012<br>£000 | 2011<br>£000 |
|--------------------------------|--------------|--------------|
| Amounts owed by parent company | <u>3,465</u> | <u>3,465</u> |
|                                | <u>3,465</u> | <u>3,465</u> |

Amounts owed by parent company are repayable on demand and are interest free.

# **BALFOUR BEATTY ENGINEERING SERVICES (CL) LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

|     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |              |                |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------------|
| 5.  | <u>Called-up share capital</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 2012<br>£000 | 2011<br>£000   |
|     | Allotted, called-up and fully paid:<br>3,281,736 ordinary shares of £1 each                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <u>3,282</u> | <u>3,282</u>   |
| 6.  | <u>Movement in Shareholder's Funds</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 2012<br>£000 | 2011<br>£000   |
|     | Profit for the financial year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -            | -              |
|     | Dividend Paid (note 7)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | -            | <u>(9,472)</u> |
|     | Net reduction to shareholder's funds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | -            | <u>(9,472)</u> |
|     | Opening Shareholders Fund's                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <u>3,465</u> | <u>12,937</u>  |
|     | Closing Shareholders Fund's                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <u>3,465</u> | <u>3,465</u>   |
| 7.  | <u>Dividends</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 2012<br>£000 | 2011<br>£000   |
|     | Dividends paid per share in the year £ nil (2011: £2.89)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | -            | <u>9,472</u>   |
| 8.  | <u>Related party transactions</u><br>As a wholly-owned subsidiary undertaking of Balfour Beatty plc, the Company has taken advantage of the exemption in FRS 8 "Related Party Transactions" not to disclose transactions with other wholly-owned members.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |              |                |
| 9.  | <u>Events after the balance sheet date</u><br>With effect from 1 February 2013, the employees of the Company were transferred to Balfour Beatty Group Employment Limited, which has been established as the employing entity for the Balfour Beatty Group's UK businesses.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |              |                |
| 10. | <u>Ultimate parent company and controlling party</u><br>The Company is a wholly-owned subsidiary undertaking of Balfour Beatty Group Limited, registered in England and Wales, which does not prepare consolidated financial statements.<br><br>The Company's ultimate parent company and controlling party is Balfour Beatty plc, which is registered in England and Wales. The only group in which the results of the Company are consolidated is that headed by Balfour Beatty plc. The consolidated financial statements of Balfour Beatty plc are available to the public and may be obtained from Balfour Beatty plc, 130 Wilton Road, London SW1V 1LQ, and on the Balfour Beatty website: <a href="http://www.balfourbeatty.com">www.balfourbeatty.com</a> . |              |                |