

Bilfinger PPP Facility Management Limited

Directors' report and
financial statements

Year ended 31 December 2014

Registered number 3217015



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Company information

Company registration

Registered in England and Wales No. 3217015

Registered office

c/o Gloucestershire Royal Hospital,
Great Western Road,
Gloucester,
GL1 3NN.

Auditors

Ernst & Young,
Ernst & Young Building,
Harcourt Centre,
Harcourt Street,
Dublin 2,
Ireland.

Bankers

HSBC Bank plc,
Coventry DSC,
Binley,
West Midlands,
UK.

Directors

D. G. van Breda
J. K. Smith

Secretary

D. G. van Breda

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2014.

Principal activities

The principal activities of the company are the facility management of commercial properties.

Results for the year and state of affairs at 31 December 2014

The profit and loss account for the year ended 31 December 2014 and the balance sheet at that date are set out on pages 7 and 9. The profit on ordinary activities for the year before taxation amounted to £149,000 compared with a profit of £521,000 in the previous year. After a taxation charge of £Nil (2013: £Nil), an amount of £149,000 (2013: £521,000) was credited to retained earnings.

Business review

The two principle contracts Gloucester Royal Hospital and Hull Women and Children's Hospital will continue to operate under a focused approach with regard to regular reporting and financial management. Future business strategies will be developed and implemented throughout 2015.

Research and development

Currently within the business plan there are no plans to commit to a major R&D development programme; however we are committed to improve and develop the cost of ownership model.

Dividend

No dividend was declared or paid in 2014 (2013: £Nil)

Directors and directors' interests

The directors who held office during the year and subsequently were as follows:

Mr D. G. van Breda

Mr J. K. Smith

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the company or any group companies.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Political and charitable contributions

The company made no political or charitable contributions during the year (2013: £Nil).

Post balance sheet events

On 1 April 2015, the company transferred £53,250,000 of the loan payable to Bilfinger HSG International Facility Management GmbH to equity via a transfer to general reserves.

Principal risks and uncertainties

The principal risks of the company include the risk of reduced sales margins arising from cost cutting measures by the company's customers.

Directors' report *(continued)*

Disclosure of information to Auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each 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 auditors are aware of that information.

Auditors

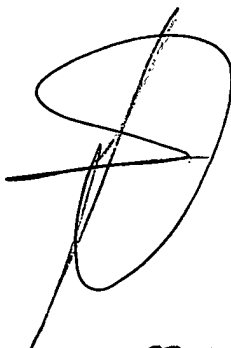
The auditors Ernst & Young, Chartered Accountants, have indicated their willingness to continue in office and a resolution concerning their appointment will be proposed at the Annual General Meeting.

By order of the board



Director

DIRK VAN BREDA



JEFF SMITH

c/o Gloucestershire Royal Hospital
Great Western Road
Gloucester
GL1 3NN

2015

Dirk Van Breda

Jeff Smith

Directors' responsibilities statement

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 judgments 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.

On behalf of the Directors

Director

Date


DIRK VAN BREDA


JEFF SMITH

Dirk Van Breda

Jeff Smith

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BILFINGER PPP FACILITY MANAGEMENT LIMITED

We have audited the financial statements of Bilfinger PPP Facility Management Limited for the year ended 31 December 2014 which comprise of the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movement on Shareholder's Funds and the related notes 1 to 19. 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 auditors

As explained more fully in the Directors' Responsibilities Statement 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 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 (APB'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 Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 and of its profit for the year 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.

Continued /...

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BILFINGER PPP FACILITY
MANAGEMENT LIMITED (Continued)**

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
- the financial statements are not in agreement with the accounting records; 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.



*Neil Kelly (Senior statutory auditor)
for and on behalf of Ernst & Young, Statutory Auditor*

Dublin, Ireland

Date: 16 September 2015

Profit and loss account
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Turnover	2	3,398	3,423
Cost of sales		(2,796)	(2,641)
Gross profit		602	782
Administrative expenses		(315)	(322)
Operating profit		287	460
Other interest receivable and similar income	5	869	250
Interest payable	6	(1,007)	(189)
Profit on ordinary activities before taxation	3-4	149	521
Tax on profit on ordinary activities	7	-	-
Profit for the financial year	14	149	521

There are no recognised gains and losses other than the profit in either year. In both the current and preceding year all turnover is derived from continuing operations.

Reconciliation of movements in shareholders' funds
for the year ended 31 December 2014

	<i>Note</i>	2014 £000	2013 £000
Profit for the financial year		149	521
Dividends paid	15	-	-
Increase in shareholders' funds		149	521
Opening shareholders' funds		2,529	2,008
Closing shareholders' funds		2,678	2,529

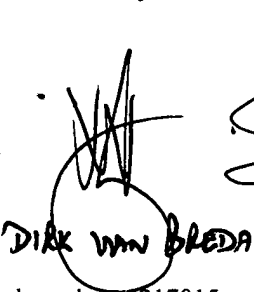
Balance sheet
at 31 December 2014

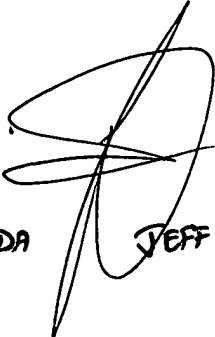
	Note	2014 £000	2013 £000
Fixed assets			
Tangible assets	8	3	2
Investments	9	72,553	71,553
		<u>72,556</u>	<u>71,555</u>
Current assets			
Debtors	10	499	808
Cash at bank and in hand		1,968	1,940
		<u>2,467</u>	<u>2,748</u>
Creditors: amounts falling due within one year	11	(730)	(2,122)
Net current assets		<u>1,737</u>	<u>626</u>
Total assets less current liabilities		<u>74,293</u>	<u>72,181</u>
Creditors: amounts falling due after one year	12	(71,615)	(69,652)
Net assets		<u>2,678</u>	<u>2,529</u>
Capital and reserves			
Called up share capital	13	10	10
Other reserves	14	1,875	1,875
Profit and loss account	14	793	644
Shareholders' funds		<u>2,678</u>	<u>2,529</u>

The notes on pages 10 to 17 form part of these financial statements.

These financial statements were approved by the board of directors on 11 September 2015 and were signed on its behalf by:

Director

 **DIRK VAN BREDA**

 **JEFF SMITH**

Registered number: 3217015

Dirk Van Breda Jeff Smith

Notes to the financial statements

1 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 statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

The financial statements are prepared on a going concern basis.

The company is exempt from the requirement to prepare group financial statements under the European Community (Group Accounts) Regulations 1992 because the company's ultimate parent company itself prepared consolidated financial statements. Accordingly, the financial statements present information about the company as an individual undertaking.

Under Financial Reporting Standard 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

As 100% of the company's voting rights are controlled within the group headed by Bilfinger SE, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of Bilfinger SE, within which this company is included, can be obtained from the address given in note 18.

Tangible fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Plant and machinery	-	20% per annum
Fixtures and fittings	-	25% per annum

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions and post-retirement benefits

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge for the period represents contributions payable by the company to the fund in respect of the accounting period.

Research and development expenditure

Expenditure on research and development is written off against profits in the year in which it is incurred.

Notes to the financial statements (*continued*)

1 Accounting policies (*continued*)

Long term contracts

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

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.

Investments

Investments in subsidiary undertakings, associates and joint ventures are stated at cost (less any amounts written-off).

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Turnover

Turnover represents the amounts (excluding value added tax) derived from the provision of goods and services to customers.

2 Analysis of turnover and profit on ordinary activities before taxation

The directors have not disclosed an analysis of turnover and profit on ordinary activities before taxation as they do not believe it is in the interests of shareholders to publish such commercially sensitive data.

Notes to the financial statements (continued)

3 Profit on ordinary activities before taxation

	2014 £000	2013 £000
<i>Profit on ordinary activities before taxation is stated</i>		
<i>After charging(crediting)</i>		
Directors' remuneration	-	-
Auditors' remuneration - audit	6	6
- other services	-	-
Depreciation and other amounts written off tangible fixed assets - owned	1	1
Exchange loss	4	16
	<hr/>	<hr/>

4 Staff numbers and costs

The average number of persons employed by the company during the year, analysed by category, was as follows:

	Number of employees 2014	2013
Management	2	2
Sales and service	11	12
	<hr/>	<hr/>
	13	14
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2014 £000	2013 £000
Wages and salaries	483	446
Social security costs	51	46
Other pension costs (note 16)	12	15
	<hr/>	<hr/>
	546	507
	<hr/>	<hr/>

Notes to the financial statements *(continued)*

5 Other interest receivable and similar income

	2014 £000	2013 £000
Income from financial assets	3	-
Dividend income from group undertakings	866	250
	<u>869</u>	<u>250</u>

6 Interest payable

	2014 £000	2013 £000
Interest payable on loan from group undertaking	1,007	189
	<u>1,007</u>	<u>189</u>

7 Taxation

An analysis of the charge in period is as follows:

	2014 £000	2013 £000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>
Tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Notes to the financial statements (continued)

7 Taxation (continued)

Factors affecting the tax charge/(credit) for the current period

	2014 £000	2013 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	149	521
	<hr/>	<hr/>
Current tax at 21.5% (2013: 23.25%)	32	121
<i>Effects of:</i>		
Expenses not deductible for tax purposes	10	3
Capital allowances (in excess of)/less than depreciation	-	(7)
Utilization of tax losses brought forward	(33)	(99)
Non-taxable income	(186)	(59)
Unrelieved tax losses carried forward	177	41
	<hr/>	<hr/>
Total current tax charge (see above)	-	-
	<hr/>	<hr/>

A potential deferred tax asset of £238,609 (2013: £36,245) arising from tax losses carried forward has not been recognised as, in the opinion of the directors; its recoverability is not sufficiently assured.

Factors affecting future tax charge

During the prior year the UK Government issued an announcement that the headline rate of UK corporation tax will be reduced from 23.25% to 21.5%. The rate change will impact the amount of any future tax payments to be made by the company.

8 Tangible fixed assets

	Plant and Machinery £000	Fixtures, fittings, tools and Equipment £000	Total £000
<i>Cost</i>			
At beginning of year	10	36	46
Additions	-	2	2
	<hr/>	<hr/>	<hr/>
At end of year	10	38	48
	<hr/>	<hr/>	<hr/>
<i>Depreciation</i>			
At beginning of year	10	34	44
Charge for year	-	1	1
	<hr/>	<hr/>	<hr/>
At end of year	10	35	45
	<hr/>	<hr/>	<hr/>
<i>Net book value</i>			
At 31 December 2014	-	3	3
	<hr/>	<hr/>	<hr/>
At 31 December 2013	-	2	2
	<hr/>	<hr/>	<hr/>

There were no assets held under finance leases and hire purchase agreements.

Notes to the financial statements (continued)

9 Investments

	Shares in group undertakings £000
Shares	
<i>Cost and net book value</i>	
At beginning of year	71,553
Additions	1,000
	<hr/>
At end of year	72,553
	<hr/>

The undertakings in which the company's interest at the year-end is more than 20% are as follows:

	Country of incorporation	Principal activity	Class and percentage of shares held
Subsidiary undertakings			
Bilfinger Real Estate Limited	Republic of Ireland	Property and Facility Management	100% ordinary
Rollright Facilities Limited (now Bilfinger HSG Facility Management Limited)	United Kingdom	Property and Facility Management	100% ordinary
Europa Support Services Limited	United Kingdom	Property and Facility Management	100% ordinary

10 Debtors

	2014 £000	2013 £000
Trade debtors	79	149
Amounts owed by group undertakings	10	97
Prepayments and accrued income	410	562
	<hr/>	<hr/>
	499	808
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	361	177
Taxation and social security	142	124
Accruals and deferred income	143	1,742
Amounts owed to group undertakings	84	79
	<hr/>	<hr/>
	730	2,122
	<hr/>	<hr/>

Notes to the financial statements (continued)

12 Creditors: amounts falling due after more than one year

	2014 £000	2013 £000
Deferred revenue	282	377
Loan from immediate parent undertaking	71,333	69,275
	<u>71,615</u>	<u>69,652</u>

13 Called up share capital

	2014 £000	2013 £000
<i>Authorised</i>		
100,000 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>
<i>Allotted, called up and fully paid</i>		
10,000 Ordinary shares of £1 each	10	10
	<u>10</u>	<u>10</u>

14 Reserves

	Other Reserves £000	Profit and loss account £000
At beginning of year	644	123
Profit for the financial year	149	521
	<u>793</u>	<u>644</u>
At end of year	793	644

In 2005 inter-company funding of £1,875,000 was received from M+W Zander D.I.B. Facility Management GmbH. The loan was waived in December 2005 and has been written back to reserves.

15 Dividends

During the year the company have not declared or paid a dividend (2013: £Nil).

16 Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £11,970 (2013: £14,681).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

Notes to the financial statements *(continued)*

17 Post balance sheet events

On 1 April 2015, the company transferred £53,250,000 of their loan payable to Bilfinger HSG International Facility Management GmbH to equity via a transfer to general reserves.

18 Ultimate parent company and parent undertaking of larger group of which the company is a member Bilfinger HSG International Facility Management GmbH

The company's immediate parent undertaking and controlling party is Bilfinger HSG International Facility Management GmbH, a company incorporated in Germany. The company's ultimate parent undertaking is Bilfinger SE, which is also incorporated in Germany.

The parent undertaking of the smallest group or undertakings for which the group financial statements are drawn up is Bilfinger HSG International Facility Management GmbH. The parent undertaking of the largest group for which group financial statements are drawn up and which the company is a member is Bilfinger SE. Copies of the group financial statements may be obtained from Carl-Reiss-Platz 1-5, Mannheim, Germany.

19 Approval of financial statements

The financial statements were approved by the board and authorised for issue on 11 SEPTEMBER 2015