

Company No: SC013871

Aberdeen Construction Group Limited
Financial statements
For the year ended 31 December 2015

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Aberdeen Construction Group Limited

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Aberdeen Construction Group Limited

Officers and professional offices

Directors

A R Astin	Appointed 1 st October 2015
P D England	
G W Mutch	Resigned 30 th September 2015

Secretary

Bnoms Limited

Registered Office

Dean House
24 Ravelston Terrace
Edinburgh
Scotland
EH4 3TP

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
London

Aberdeen Construction Group Limited

Directors' Report

For the year ended 31 December 2015

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 2015. This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies regime of the Companies Act 2006. The Company has also claimed the small companies exemption from preparing a strategic report.

Review of activities

The Company has not traded on its own account during the current or prior year. The Directors plan to put the Company into liquidation.

Going Concern

Plans are now underway to place the Company into liquidation, therefore in accordance with s3.8 FRS 101, the financial statements have been prepared on a basis other than that of a going concern. No material adjustments arose as a result of the change in basis of accounting.

Third party indemnity provision

The Directors are covered under a qualifying third party group indemnity provision provided by the Company's ultimate parent company.

Results

The Company has not traded on its own account during the current or prior year. The operating result for the year was £nil (2014: £nil). The Directors plan to put the Company into liquidation.

Directors

The Directors of the Company during the year and up to the date of this report are stated on page 1.

Financial instruments

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

Aberdeen Construction Group Limited
Directors' Report (continued)
For the year ended 31 December 2015

Disclosure of information to the auditor

Each of the Directors at the date of approval of this report confirms that:

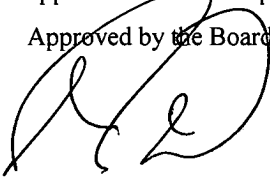
- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director to make himself/herself aware of any relevant audit information and to establish that the Company's 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

In accordance with Section 487 of the Companies Act 2006, Deloitte LLP has not been re-appointed as the Company's auditor. Following a competitive tender process, KPMG LLP have confirmed their willingness to be appointed as the Company's auditor for the year ending 31 December 2016.

Approved by the Board and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A R Astin', written over a circular stamp or seal.

A R Astin
Director
8 August 2016

Aberdeen Construction Group Limited
Directors' responsibilities statement
For the year ended 31 December 2015

The directors are responsible for preparing the Annual Report including 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), including Financial Reporting Standard 101 Reduced Disclosure Framework. 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; and
- 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.

Aberdeen Construction Group Limited

Independent auditor's report to the members of Aberdeen Construction Group Limited

We have audited the financial statements of Aberdeen Construction Group Limited for the year ended 31 December 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 13. 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), including FRS 101 "Reduced Disclosure Framework".

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 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 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

Opinion on other matters 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.

Aberdeen Construction Group Limited
Independent auditor's report to the members of Aberdeen Construction Group 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 returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report or from preparing a strategic report.

Philip Doherty

Philip Doherty FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, UK

9 August 2016

Aberdeen Construction Group Limited
Profit and loss account
For the year ended 31 December 2015

	Note	2015 £'000	2014 £'000
Operating profit		-	-
Investments impairment		-	(1,999)
Dividends receivable		-	2,678
Loss on liquidation of subsidiary		(944)	
Gain on settlement of intercompany payable		944	
Profit on ordinary activities before taxation		-	679
Tax on profit on ordinary activities		-	
Profit for the financial year		-	679
Total comprehensive income for the year attributable to the Owners of the Company		-	679

The Company's operations in the current and prior year are from discontinued operation.

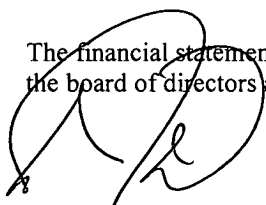
The company has no recognised gains and losses in the year other than those passing through the profit and loss account. Accordingly, a statement of comprehensive income has not been presented.

The notes on pages 10 to 15 form part of these financial statements.

Aberdeen Construction Group Limited
Balance sheet
At 31 December 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Investments in subsidiary undertakings	8	-	944
Current assets			
Debtors			
– amounts owed by group undertakings	9	8,819	7,875
Net assets		<u>8,819</u>	<u>8,819</u>
Capital and reserves			
Called-up share capital	10	4,214	4,214
Share premium account		4,605	4,605
Profit and loss account		-	-
Shareholders' funds		<u>8,819</u>	<u>8,819</u>

The financial statements of Aberdeen Construction Group Limited (registered number SC013871) were approved by the board of directors and authorised for issue on 8 August 2016. They were signed on its behalf by:



A R Astin

Director

The notes on pages 10 to 15 form part of these financial statements

Aberdeen Construction Group Limited
Statement of changes in equity
At 31 December 2015

	Called up share capital (Note 10) £'000	Share premium £'000	Profit and loss account £'000	Total £'000
Balance at 1 January 2014	4,214	4,605	1,194	10,103
Effect of restatement due to change in accounting framework (see note 13)	-	-	-	-
As restated	4,214	4,605	1,194	10,013
Profit for the year	-	-	679	679
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	679	679
Dividends	-	-	(1,873)	(1,873)
Balance at 31 December 2014	4,214	4,605	-	8,819
Profit for the year	-	-	-	-
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	-	-
Balance at 31 December 2015	4,214	4,605	-	8,819

Aberdeen Construction Group Limited

Notes to the financial statements

For the year ended 31 December 2015

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

Aberdeen Construction Group Limited is a company incorporated in the United Kingdom under the Companies Act. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Directors report on page 2.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The company meets the definition of a qualifying entity under FRS 100 issued by the Financial Reporting Council. Accordingly, in the year ended 31 December 2015 the company has changed its accounting framework from UK GAAP to FRS 101 Reduced Disclosure Framework as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. No accounting policy changes were required upon transition from former UK GAAP to FRS 101. Accordingly, there is no difference between the equity at 1 January 2014 and 31 December 2014 and the profit for the year ended 31 December 2014 as previously stated under former UK GAAP and their equivalents as stated under FRS 101.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. The principal accounting policies adopted are set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

These financial statements are separate financial statements. The company is exempt from the preparation of consolidated financial statements, because it is included in the group accounts of Balfour Beatty plc. Details of the parent in whose consolidated financial statements the company is included are shown in note 12 to the financial statements.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets, compensation paid to key management personnel and related party transactions with wholly-owned members of the Group headed

Aberdeen Construction Group Limited

Notes to the financial statements

For the year ended 31 December 2015

1. Accounting policies (continued)

by Balfour Beatty plc. Where required, equivalent disclosures are given in the group accounts of Balfour Beatty plc. The group accounts of Balfour Beatty plc are available to the public and can be obtained as set out in note 12.

Going concern

Plans are now underway to place the Company into liquidation, therefore in accordance with section 3.8 FRS101, the financial statements have been prepared on a basis other than that of a going concern. No material adjustments arose as a result of the change in basis of accounting.

Investments

Except as stated below, fixed asset investments, including investments in subsidiaries and associates, are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

Impairment of Investments

The Company reviews the recoverability of its investments annually. If the recoverable amount is less than the carrying value a provision is recognised. Determining the recoverable amount requires an estimate of fair value which is calculated by applying valuation multiples, considering available economic data, to an investment's trading results.

Tax – Current

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Tax – Deferred

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Aberdeen Construction Group Limited
Notes to the financial statements
For the year ended 31 December 2015

1 Accounting policies (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Loans and Receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Financial liabilities and equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The judgements, estimates and assumptions that have the most significant effect on income and expenses and the carrying value of assets and liabilities of the Company as at 31 December 2015 are discussed below.

a) Taxation

The Company provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based on management's assessment of exposures.

Deferred tax liabilities are generally provided for in full and deferred tax assets are recognised to the extent that it is judged probable that future taxable profit will arise against which the temporary differences will be utilised.

b) Provisions

Provisions are liabilities of uncertain timing or amount and therefore in making a reliable estimate of the quantum and timing of liabilities judgement is applied and re-evaluated at each reporting date.

c) Impairment of investments

The Company reviews the recoverability of its investments annually. If the recoverable amount is less than the carrying value a provision is recognised. Determining the recoverable amount requires an estimate of fair value which is calculated by applying valuation multiples, considering available economic data, to an investment's trading results.

Aberdeen Construction Group Limited
Notes to the financial statements
For the year ended 31 December 2015

3. Auditor's remuneration

The audit fee of £4,300 (2014: £1,100) for the audit of the company's accounts was borne by Balfour Beatty Group Limited (2014: Balfour Beatty Regional Construction Limited) and was not recharged.

No fees were payable to the auditor for non-audit services in either the current or the prior year.

4. Staff costs

The Company had no employees and therefore has incurred no employment or pension costs for the year end or the preceding year.

5. Director costs

The Directors are employees of the Balfour Beatty Group and received no specific remuneration for their services towards the management of this Company in the current or prior year.

From 1 February 2013, Directors' remuneration is paid by Balfour Beatty Group Employment Limited.

6. Dividends received

	2015 £'000	2014 £'000
Dividends received from subsidiary undertakings	-	2,678

7. Tax on profit on ordinary activities

The tax charge comprises:

	2015 £'000	2014 £'000
UK current tax		
Corporation tax	-	679
Total tax on profit on ordinary activities	-	679

The charge for the year can be reconciled to the profit in the profit and loss account as follows:

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	-	679
Tax on profit on ordinary activities at standard UK corporation tax rate of 20.25% (2014: 21.5%)	-	146
Effects of:		
Dividends receivable	-	(576)
Expenses not deductible for tax purposes	-	430
Total tax charge for year	-	-

Aberdeen Construction Group Limited
Notes to the financial statements
For the year ended 31 December 2015

8. Investments in subsidiaries

	2015 £'000	2014 £'000
At 1 January	944	2,943
Investment impairment	(944)	(1,999)
At 31 December	<u>-</u>	<u>944</u>

During the prior year Hall and Tawse Group Limited distributed its reserves by paying a dividend to the Company of £2,678,000. As a result of this it was necessary to write down the value of the Company's investment in its subsidiary by £1,999,000, to the value of the subsidiaries net assets of £944,000.

During the year, the subsidiary Hall and Tawse Group Limited was liquidated. No proceeds were received as a result of the liquidation, however, Aberdeen Construction Group Limited did have an intercompany balance with Hall and Tawse Group Limited which has subsequently been forgiven as part of the liquidation process.

9. Debtors

	2015 £'000	2014 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	<u>8,819</u>	<u>7,875</u>

Amounts owed by Group undertakings are interest free and repayable on demand.

Aberdeen Construction Group Limited
Notes to the financial statements
For the year ended 31 December 2015

10. Called-up share capital

	2015 £'000	2014 £'000
Authorised:		
16,854,444 ordinary shares of 25p each	4,214	4,214
	<u>4,214</u>	<u>4,214</u>
Allotted, called-up and fully-paid		
16,854,444 ordinary shares of 25p each	4,214	4,214
	<u>4,214</u>	<u>4,214</u>

11. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share capital	Nominal value of share capital subscribed for.
Share premium	Amount subscribed for share capital in excess of nominal value.
Profit and loss account	All other net gains and losses and transactions with owners (eg: dividends) not recognised elsewhere.

12. Controlling party

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, 5 Churchill Place, Canary Wharf, London E14 5HU, and on the Balfour Beatty website: www.balfourbeatty.com.

13. Explanation of transition to FRS 101

This is the first time that the company has adopted FRS 101 (Financial Reporting Standard 101) issued by the financial reporting council having previously applied applicable UK accounting standards.

No accounting policy changes were required upon transition from former UK GAAP to FRS 101. Accordingly, there is no difference between the equity at 1 January 2014 and 31 December 2014 and the profit for the year ended 31 December 2014 as previously stated under former UK GAAP and their equivalents as stated under FRS 101.