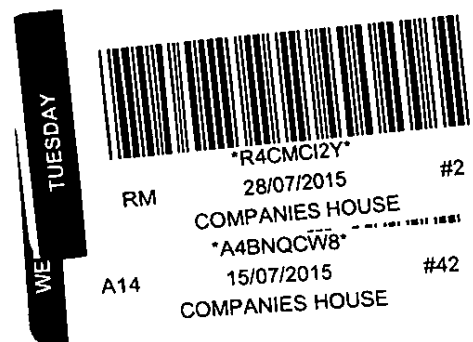


The Telegraph Construction and Maintenance Company Limited

Annual report and unaudited financial statements
for the year ended 31 December 2014

Company number 00001147



THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

for the year ended

31 DECEMBER 2014

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THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

DIRECTORS' REPORT

The Directors present their annual report together with the unaudited financial statements for the year ended 31 December 2014. This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Principal activity and business review

The Company's principal activity is that of a finance company. The Directors expect the activities of the Company to continue on a similar basis.

Results and dividends

The unaudited financial statements of the Company are set out on pages 4 to 9. The retained loss for the year of £137,000 (2013: £33,000 profit) has been transferred to reserves.

No dividends were paid during the year (2013: £nil).

Directors

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

S T Leadall	(Resigned 31 May 2014)
G Russell	(Appointed 1 June 2014)
M D Peters	(Resigned 14 September 2014)
C M Pryce	
M T A Purvis	(Appointed 14 September 2014, Resigned 27 April 2015)
CW Healy	(Appointed 27 April 2015)

Financial instruments

Due to the nature of the Company's business and the assets and liabilities contained within the Company's balance sheet, the only financial risks the Directors consider relevant to the Company are credit risk and liquidity risk. The Directors do not consider credit risk to be material for the short term loan to the ultimate parent company Balfour Beatty plc. Liquidity risk is not significant because there are no significant creditors.

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,
- 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 TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY 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

Registered Office

Fourth Floor
130 Wilton Road
London
SW1V 1LQ

By order of the Board



C M PRYCE, Director

10 July 2015

THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2014

	Notes	<u>2014</u> £'000	<u>2013</u> £'000
Operating income	2	2	43
Operating expenses		-	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION		<u>2</u>	<u>43</u>
Taxation on profit from ordinary activities	4	(139)	(10)
(LOSS)/PROFIT FROM ORDINARY ACTIVITIES AFTER TAXATION AND RETAINED PROFIT FOR THE YEAR	8	<u>(137)</u>	<u>33</u>

The Company has no recognised gains or losses in the current or prior year other than those included in the results above, consequently no statement of total recognised gains and losses has been presented

All activities are from continuing operations in the United Kingdom

THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

BALANCE SHEET

as at 31 December 2014

	Notes	<u>2014</u> £'000	<u>2013</u> £'000
CURRENT ASSETS			
Debtors			
Amounts falling due within one year	5	42,641	42,641
CURRENT LIABILITIES			
Creditors			
Amounts falling due within one year	6	(147)	(10)
NET CURRENT ASSETS		<u>42,494</u>	<u>42,631</u>
NET ASSETS		<u>42,494</u>	<u>42,631</u>
CAPITAL AND RESERVES			
Called-up share capital	7	39,850	39,850
Share premium account	8	568	568
Other reserves	8	6	6
Profit and loss account	8	2,070	2,207
SHAREHOLDERS' FUNDS		<u>42,494</u>	<u>42,631</u>

Audit Exemption Statement

For the year ending 31 December 2014 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies

Directors' responsibilities

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These unaudited financial statements of The Telegraph Construction and Maintenance Company Limited (registered number 00001147) were approved by the Board of Directors on 10 July 2015 and signed on its behalf by



G Russell, Director

THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

1. Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below

a Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Generally Accepted Accounting Practice. The financial statements have been prepared on a going concern basis as discussed in the Directors' Report on page 2, and presented in pounds Sterling, which is the Company's functional currency and, when otherwise stated, have been rounded to the nearest thousand pounds.

The Company is exempt from the requirement of Financial Reporting Standard (FRS) 1 (revised 1996) Cash Flow Statements, to present a cash flow statement.

b Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

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

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

c Revenue recognition

Fees charged for managing investments are recognised as revenue as the services are provided.

THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED)

2 Operating income

	<u>2014</u> £'000	<u>2013</u> £'000
Management fee	2	43
	<u>2</u>	<u>43</u>

3. Employee and Director costs

The Company has no employees (2013 none) and therefore incurs no employee or pension costs (2013 £nil)

No Director received any emoluments for services to the Company during the year (2013 £nil)

4. Taxation on profit from ordinary activities

	<u>2014</u> £'000	<u>2013</u> £'000
<i>UK corporation tax</i>		
Current tax on income for the year	0	10
Adjustments in respect of prior years	139	-
Tax on profit on ordinary activities	<u>139</u>	<u>10</u>
	<u>2014</u> £'000	<u>2013</u> £'000
<i>Current tax reconciliation</i>		
Profit from ordinary activities before taxation	2	43
	<u>0</u>	<u>10</u>
Current tax @ 21.5% (2013 23.25%)	0	10
Adjustments to tax charge in respect of previous years	139	-
Total current tax charge	<u>139</u>	<u>10</u>

The Company earns its profits wholly in the UK, therefore the tax rate used for tax on profit from ordinary activities is the standard rate for UK corporation tax (2014 21.5%, 2013 23.25%)

THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED)

5. Debtors

	<u>2014</u>	<u>2013</u>
	£'000	£'000
<i>Amounts falling due within one year</i>		
Short-term loan to Balfour Beatty plc	42,641	42,641
	<u>42,641</u>	<u>42,641</u>

The loan to Balfour Beatty plc is due for repayment on 18 November 2015 and is interest free

6. Creditors

	<u>2014</u>	<u>2013</u>
	£'000	£'000
Corporation tax	(1)	(10)
Amounts owed to Group undertakings	(146)	-
	<u>(147)</u>	<u>(10)</u>

The amounts owed to Group undertakings are interest free and repayable on demand

7. Called-up share capital

	<u>2014</u>	<u>2013</u>
	£'000	£'000
Called-up, issued and fully paid		
39,850,000 ordinary shares of £1 each	<u>39,850</u>	<u>39,850</u>

8. Reconciliation of movements in shareholders' funds

	Share capital	Share premium account	Other reserves	Profit and loss account	Total
	£'000	£'000	£'000	£'000	£'000
At 1 January 2013	39,850	568	6	2,174	42,598
Profit for the year	-	-	-	33	33
At 31 December 2013	39,850	568	6	2,207	42,631
At 1 January 2014	39,850	568	6	2,207	42,631
Profit for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>(137)</u>	<u>(137)</u>
At 31 December 2014	<u>39,850</u>	<u>568</u>	<u>6</u>	<u>2,070</u>	<u>42,494</u>

THE TELEGRAPH CONSTRUCTION AND MAINTENANCE COMPANY LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS (CONTINUED)

9. Related party transactions

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 of the group headed by Balfour Beatty plc

10. Ultimate parent company and controlling party

The Company is a wholly-owned subsidiary undertaking of Armpledge Limited, incorporated in the United Kingdom and registered in England and Wales, which does not prepare consolidated financial statements

The Company's ultimate parent company and controlling party is Balfour Beatty plc, which is incorporated in the United Kingdom and 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 www.balfourbeatty.com