

COMPANY REGISTRATION NUMBER: 00265178

MANSELL PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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MANSELL PLC

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014**

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MANSELL PLC

OFFICERS AND PROFESSIONAL ADVISERS

Directors

W O Aitchison	(resigned 30 May 2014)
E Campbell	(appointed 11 November 2014)
M L Cutler	(appointed 11 March 2014 and resigned 11 November 2014)
B E J Dew	(resigned 5 December 2014)
P D England	(appointed 5 December 2014)

Secretary

G W Mutch

Registered Office

130 Wilton Road
London
SW1V 1LQ

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Glasgow

MANSELL PLC

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 2014. 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 and future prospects

Mansell plc ("the Company") is a public limited company registered in England and Wales. The Company's principal activity is that of a holding company. The Directors are not aware at the date of this report of any likely major changes in the Company's activities in the next year.

On 30 September 2014, the Company sold its investment in Balfour Beatty Regional Construction Limited (BBRCL), formerly Mansell Construction Services Limited, to Balfour Beatty Group Limited at its carrying value of £44.7m. On 1 October 2014, BBRCL transferred the beneficial interest in its assets and liabilities to Balfour Beatty Group Limited for a consideration equal to the net book value at that date. On the same day, BBRCL entered into an agency agreement with Balfour Beatty Group Limited whereby all future trading of the Company will be undertaken as an agent of Balfour Beatty Group Limited.

Going Concern

The financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the Company except to the extent that such were committed at the balance sheet date.

Results

The Company has not traded on its own account during the current or prior year. The operating result for the year was £nil. (2013: £nil). During 2014 the Company made an impairment provision of £1,873,000 in respect of one of its subsidiary undertakings. The Company received dividends of £3,286,000 during the year (2013: £nil). No dividend was paid or declared during the year (2013: £nil).

Directors

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

W O Aitchison	(resigned 30 May 2014)
E Campbell	(appointed 11 November 2014)
M L Cutler	(appointed 11 March 2014 and resigned 11 November 2014)
B E J Dew	(resigned 5 December 2014)
P D England	(appointed 5 December 2014)

Directors' indemnities

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

MANSELL PLC

DIRECTORS' REPORT (CONTINUED)

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 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.

Disclosure of information to 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

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

Approved by the Board and signed on its behalf by:



P.D England
Director

29 June 2015

Registered Office:
130 Wilton Road
London
SW1V 1LQ

Registered in England
Number: 00265178

MANSELL PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

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 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.

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.

MANSSELL PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANSSELL PLC

We have audited the financial statements of Mansell Plc for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet 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).

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 2014 and of its profit 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.

MANSELL PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANSELL PLC (Continued)

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
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from preparing a Strategic Report or in preparing the Directors' Report.



Colin Gibson CA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Glasgow, United Kingdom
29 June 2015

MANSELL PLC

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £'000	2013 £'000
Operating profit		-	-
Investment impairment		(1,873)	-
Dividends received	3	3,286	-
Profit for the financial year before taxation		<u>1,413</u>	<u>-</u>
Tax credit/(charge) on profit for the year	4	51	-
Profit for the year		<u><u>1,464</u></u>	<u><u>-</u></u>

The results were derived wholly from discontinued activities.

The Company had no recognised gains or losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented for either year.

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BALANCE SHEET AS AT 31 DECEMBER 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments	5	9,056	55,610
Current assets			
Debtors due within one year	6	44,681	7,581
Creditors: amounts falling due within one year	7	(38,359)	(49,277)
Net current liabilities		<u>6,322</u>	<u>(41,696)</u>
Net assets		<u>15,378</u>	<u>13,914</u>
 Capital and reserves			
Called up share capital	9	11,666	11,666
Share premium account	10	1,704	1,704
Profit and loss account	10	2,008	544
Shareholder's funds	11	<u>15,378</u>	<u>13,914</u>

The financial statements of Mansell plc (registration number: 00265178) were approved by the Board of Directors and authorised for issue on 29 June 2015. They were signed on its behalf by:



P D England
Director

MANSELL PLC

NOTES TO THE FINANCIAL STATEMENTS

1. Principal accounting policies

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

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards.

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is an indirect wholly-owned subsidiary of Balfour Beatty plc which prepares consolidated accounts which are publicly available.

(b) Taxation

Current tax, including United Kingdom corporation tax, is provided at the amounts expected to be paid or recovered using the tax rates and laws that apply at 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. Deferred tax is recorded using tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is measured on a non-discounted basis.

(c) Investments

Fixed asset investments are recorded at cost less provisions for impairment. Any dividends received from investments are recognised on a receipt basis.

(d) Cash flow statement

In accordance with the provisions of Financial Reporting Standard 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 including a consolidated cash flow statement which include the Company and are publicly available.

(e) Going concern

The financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the Company's assets to net realisable value. Provision has also been made for any onerous contractual commitments at the balance sheet date.

2. Trading results

The Company has not traded on its own account during the current or prior year. The operating result for the year was £nil (2013: £nil). During 2014 the Company made a profit of £1,413,000 comprising the net of dividend received of £3,286,000 and investment impairment of £1,873,000. The Company did not pay a dividend (2013: £nil).

The auditor's remuneration in connection with the statutory audit of the Company's accounts was £1,100 (2013: £1,100) and has been borne by Balfour Beatty Regional Construction Limited (formerly Mansell Construction Services Limited) in both years.

The Company has no employees and therefore has incurred no employment or pension costs for the year and the preceding year. The five Directors (2013: eight) received £nil remuneration for their services to the Company during the year (2013: £nil).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. Dividends received	2014	2013
	£'000	£'000
Dividends received from subsidiary undertakings	<u>3,286</u>	<u>-</u>
4. Tax on profit on ordinary activities	2014	2013
	£'000	£'000
Current tax	-	-
United Kingdom corporation tax on profits of the year at 21.50% (2013: 23.25%)*	(51)	-
Adjustments in respect of previous years	<u>(51)</u>	<u>-</u>
Tax credit for the year	<u>(51)</u>	<u>-</u>
Tax reconciliation		
Profit on ordinary activities before taxation	<u>1,413</u>	<u>-</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.50% (2013: 23.25%)*	304	-
Effects of:		
Dividend received	(706)	-
Expenses not deductible for tax purposes	402	-
Adjustment to tax charge in respect of previous years	(51)	-
Tax credit for the year	<u>(51)</u>	<u>-</u>

* Blended rates for 2014 and 2013.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. Fixed asset investments

Investments in subsidiary undertakings **£'000**

Cost

As at 1 January 2014 67,032
Investment sold (44,681)

31 December 2014 22,351

Provision for impairment

As at 1 January 2014 11,422
Investment impairment 1,873

As at 31 December 2014 13,295

Net book value

As at 31 December 2014 9,056

As at 31 December 2013 55,610

The impairment was in respect of Aberdeen Construction Group Limited.

The Company's principal wholly-owned subsidiary undertaking during the year was Balfour Beatty Regional Construction Limited (formerly Mansell Construction Services Limited) Services Limited, a Company incorporated in Great Britain and registered in England and Wales whose principal activity is construction and property services. On 30 September 2014, the Company sold its investment in Balfour Beatty Regional Construction Limited (formerly Mansell Construction Services Limited) to Balfour Beatty Group Limited at its carrying value of £44.7m

The Company's principal wholly-owned subsidiary undertaking is:

Aberdeen Construction Group Limited

	Country of Incorporation	Principal Activity	Holding %
Aberdeen Construction Group Limited	England and Wales	Holding company	100%

6. Debtors

2014 **2013**
£'000 **£'000**

Due within one year:

Amounts owed by Group undertakings 44,681 7,581

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

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed to Group undertakings	38,359	49,277

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

8. Deferred taxation

	Unprovided 2014 £'000	2013 £'000
Tax losses	388	-
Total deferred tax asset	388	-

The Finance Act 2013 was enacted on 17 July 2013 implementing a reduction in the main UK corporation tax rate from 24% to 23% effective from 1 April 2013, with a further deduction of 2% to 21% from 1 April 2014 and to 20% from 1 April 2015. As a result of the change the deferred tax balances at the year-end have been re-measured. This gives rise to a deferred tax credit/charge of £Nil in the year.

9. Called up share capital

	2014 £'000	2013 £'000
Authorised:		
46,664,930 Ordinary shares of 25p each	11,666	11,666
13,335,070 Unclassified shares of 25p each	3,334	3,334
	15,000	15,000
Allotted and called up:		
Equity fully paid		
46,664,930 Ordinary shares of 25p each	11,666	11,666

10. Reserves

	Share premium account £'000	Profit & loss account £'000
As at 1 January 2014	1,704	544
Profit on ordinary activities after taxation	-	1,464
As at 31 December 2014	1,704	2,008

11. Shareholder's funds

	2014 £'000	2013 £'000
Profit on ordinary activities after taxation	1,464	-
Net increase in shareholder's funds	1,464	-
Opening equity shareholder's funds	13,914	13,914
Closing equity shareholder's funds	15,378	13,914

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

12. Related party transactions

As a wholly-owned subsidiary of Balfour Beatty Group plc, the Company has taken advantage of the exemption in FRS8 "Related Party Transactions" not to disclose transactions with other wholly-owned members of the group headed by Balfour Beatty plc.

13. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking and controlling party is Balfour Beatty Group Limited and the ultimate parent undertaking and controlling party is Balfour Beatty plc, both of which are incorporated in Great Britain 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 the Company Secretary, Balfour Beatty plc, 130 Wilton Road, London SW1V 1LQ and on the Balfour Beatty website: www.balfourbeatty.com.