

Registration number 0563275

# Costain International Limited

Directors' Report and Financial Statements

for the Year Ended 31 December 2013

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**Costain International Limited**  
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**Costain International Limited**  
**Company Information**

<b>Directors</b>	A Wyllie A O Bickerstaff M D Hunter
<b>Company secretary</b>	T A Wood
<b>Registered office</b>	Costain House Vanwall Business Park Maidenhead Berkshire SL6 4UB
<b>Auditors</b>	KPMG Audit Plc 15 Canada Square London E14 5GL

**Costain International Limited**  
**Directors' Report for the Year Ended 31 December 2013**

The directors present their report and the financial statements for the year ended 31 December 2013

**Directors of the company**

The directors who held office during the year were as follows

A Wyllie

A O Bickerstaff

A J Handford (resigned 26 March 2013)

M D Hunter (appointed 8 April 2013)

**Principal activity**

The principal activity of the company is completing its remaining obligations but it is not seeking further work

**Disclosure of information to the auditor**

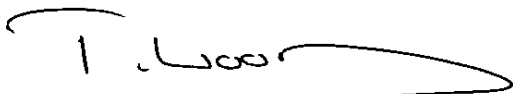
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of the relevant audit information and to establish that the company's auditor is aware of that information

**Reappointment of auditor**

KPMG Audit Plc have notified the Company that they will be resigning as auditors with effect from 07 May 2014 and have provided the Company with a statement under section 519 of the Companies Act 2006 confirming that there are no circumstances connected with their ceasing to hold office that they consider should be brought to the attention of the Company's members or creditors

The Directors have approved a resolution to appoint KPMG LLP as auditors of the Company with effect from 07 May 2014 until further notice

Approved by the Board on 17 April 2014 and signed on its behalf by



T A Wood  
Company secretary

**Costain International Limited**  
**Statement of Directors' Responsibilities**

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 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 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.

## **Independent Auditor's Report to the Members of Costain International Limited**

We have audited the financial statements of Costain International Limited for the year ended 31 December 2013, set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 Statement of Directors' Responsibilities (set out on page 3), 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of the financial statements is provided on the APB's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on the 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 2013 and of its loss 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.

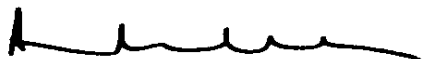
**Independent Auditor's Report to the Members of  
Costain International Limited**

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**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 not preparing a strategic report



Andrew Marshall (Senior Statutory Auditor)  
For and on behalf of KPMG Audit Plc, Statutory Auditor

15 Canada Square  
London  
E14 5GL

23 April 2014

**Costain International Limited**  
**Profit and Loss Account for the Year Ended 31 December 2013**

	Note	2013 £	2012 £
Turnover		-	-
Cost of sales		<u>506</u>	<u>1,246</u>
Gross profit		506	1,246
Administrative expenses		<u>(4,033)</u>	<u>(2,996)</u>
Operating loss	2	<u>(3,527)</u>	<u>(1,750)</u>
Loss on ordinary activities before taxation		<u>(3,527)</u>	<u>(1,750)</u>
Loss for the financial year		<u><u>(3,527)</u></u>	<u><u>(1,750)</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above



**Costain International Limited**  
**(Registration number: 0563275)**  
**Balance Sheet at 31 December 2013**

	Note	2013 £	2012 £
<b>Current assets</b>			
Debtors	4	5,626,831	5,626,831
Creditors Amounts falling due within one year	5	<u>(621,837)</u>	<u>(618,310)</u>
Net assets		<u>5,004,994</u>	<u>5,008,521</u>
<b>Capital and reserves</b>			
Called up share capital	6	1,800,100	1,800,100
Profit and loss account		<u>3,204,894</u>	<u>3,208,421</u>
		<u>5,004,994</u>	<u>5,008,521</u>

Approved by the Board on 17 April 2014 and signed on its behalf by



M D Hunter  
Director

## Costain International Limited

### Notes to the Financial Statements for the Year Ended 31 December 2013

#### 1 Accounting policies

##### Basis of preparation

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

##### Exemption from preparing a cash flow statement

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

##### Turnover

Turnover represents the value of work carried out during the year on long-term contracts

##### Deferred tax

Deferred tax has been recognised as a liability or asset, except as otherwise required by FRS 19 'Deferred Tax', if transactions have occurred at the balance sheet date that give rise to an obligation to pay more tax in future, or a right to pay less tax in future. An asset is not recognised to the extent that the transfer of economic benefit in future is uncertain. Deferred tax assets and liabilities recognised have not been discounted

##### Foreign currency

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account

#### 2 Operating loss

Operating loss is stated after charging

	2013 £	2012 £
Auditor's remuneration - The audit of the company's annual accounts	2,000	2,000
Foreign currency gains	<u>(7,603)</u>	<u>(1,025)</u>

There were no fees paid to KPMG Audit Plc for services other than the statutory audit of the company. The audit fee was borne by another company.

No emoluments were paid to the directors of the company during the year (2012: nil)

There were no staff employed during the year (2012: nil)

**Costain International Limited**

**Notes to the Financial Statements for the Year Ended 31 December 2013**

..... *continued*

**3 Taxation**

**Tax reconciliation**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Loss on ordinary activities before taxation	<u>(3,527)</u>	<u>(1,750)</u>
Corporation tax at 23.25% (2012: 24.5%)	<u>(820)</u>	<u>(429)</u>
Disallowed expenditure	-	(2,376)
Group relief free of charge	820	(846)
Exchange difference on realignment of opening balances	<u>-</u>	<u>3,651</u>
Total current tax	<u>-</u>	<u>-</u>

**4 Debtors**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<u>5,626,831</u>	<u>5,626,831</u>
	<u>5,626,831</u>	<u>5,626,831</u>

**5 Creditors: Amounts falling due within one year**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	595,234	591,201
Accruals and deferred income	<u>26,603</u>	<u>27,109</u>
	<u>621,837</u>	<u>618,310</u>

**6 Share capital**

**Allotted, called up and fully paid shares**

	<b>2013</b>		<b>2012</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>1,800,100</u>	<u>1,800,100</u>	<u>1,800,100</u>	<u>1,800,100</u>

## Costain International Limited

### Notes to the Financial Statements for the Year Ended 31 December 2013

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#### 7 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Loss attributable to the members of the company	(3,527)	(1,750)
Net reduction to shareholders' funds	(3,527)	(1,750)
Shareholders' funds at 1 January	5,008,521	5,010,271
Shareholders' funds at 31 December	<u>5,004,994</u>	<u>5,008,521</u>

#### 8 Contingent liabilities

The company has entered into cross guarantees together with the ultimate parent company and certain fellow group undertakings for overdraft facilities made available to the group. At 31 December 2013, these liabilities amounted to £25,000,000 (2012: £nil).

There are also contingent liabilities in respect of guarantees of performance bonds and other undertakings entered into in the ordinary course of business by fellow group undertakings.

#### 9 Related party transactions

The company has taken advantage of the exemption in FRS8 "Related Party Disclosures" from disclosing transactions with other members of the group.

#### 10 Control

The company is controlled by Costain Group PLC. The largest and the smallest group of undertakings for which group financial statements are drawn up is that of the ultimate parent company, Costain Group PLC, a company registered in England and Wales.

Copies of the group financial statements of Costain Group PLC may be obtained from the registered office of the company, Costain House, Vanwall Business Park, Maidenhead, Berkshire SL6 4UB.