

Registration number: 01213981

BPH Equipment Limited

Annual Report and Unaudited Financial Statements

for the Year Ended 31 December 2018



BPH Equipment Limited

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BPH Equipment Limited

Directors' Report for the Year Ended 31 December 2018

The Directors present the annual report of the affairs of the Company, together with the unaudited Financial Statements for the year ended 31 December 2018.

Principal activity

The Company acts as an agent of Balfour Beatty Group Limited in the hire of plant and machinery. The transactions in respect of the activities performed by BPH Equipment Limited in its capacity as agent are dealt with in the financial statements of Balfour Beatty Group Limited.

The Company has been dormant as defined in section 1169 of the Companies Act 2006 throughout the year. It is anticipated that the company will remain dormant for the foreseeable future.

Directors of the company

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

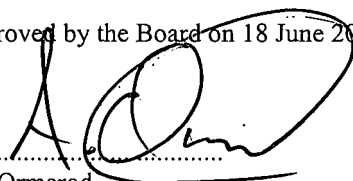
D Atkin

P A Ormerod

T Price

I K Rylatt

Approved by the Board on 18 June 2019 and signed on its behalf by:



.....
P A Ormerod
Director

Registered office 5 Churchill Place
Canary Wharf
London
E14 5HU

BPH Equipment Limited

Profit and Loss Account for the Year Ended 31 December 2018

	Note	2018 £ 000	2017 £ 000
Turnover	2	-	4,484
Cost of sales		-	(3,505)
Gross profit		-	979
Administrative expenses		-	(478)
Operating profit	3	-	501
Profit before tax		-	501
Tax on profit on ordinary activities	7	-	754
Profit for the year		-	1,255

There were no recognised gains or losses in the year other than those disclosed above. Accordingly no statement of comprehensive income is presented.

The above results were derived from discontinued operations.

BPH Equipment Limited
(Registration number: 01213981)
Balance Sheet as at 31 December 2018

	Note	2018 £ 000	2017 £ 000
Current assets			
Debtors	9	<u>23,377</u>	<u>23,377</u>
Capital and reserves			
Called up share capital	10	5,550	5,550
Profit and loss account		<u>17,827</u>	<u>17,827</u>
Shareholders' funds		<u>23,377</u>	<u>23,377</u>

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant 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; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements on pages 3 to 10 were approved by the Board on 18 June 2019 and signed on its behalf by:



T Price
Director

BPH Equipment Limited

Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2017	5,550	16,572	22,122
Profit for the year	-	1,255	1,255
At 31 December 2017	<u>5,550</u>	<u>17,827</u>	<u>23,377</u>
	Share capital £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2018	<u>5,550</u>	<u>17,827</u>	<u>23,377</u>
At 31 December 2018	<u>5,550</u>	<u>17,827</u>	<u>23,377</u>

BPH Equipment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 Accounting policies

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

Profit and loss account

All transactions were entered into as an agent of Balfour Beatty Group Limited in whose financial statements such transactions were recorded. The Company has not traded on its own account during the year and accordingly has made neither a profit nor a loss, nor any other recognised gain or loss.

Turnover

Turnover is stated net of VAT and trade discounts.

Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

The Company's turnover recognition and margin recognition policies are central to how the Company values the work it has carried out in each financial year. These policies require forecasts to be made of the outcomes of long-term contracts, which require assessments and judgements to be made on the recovery of pre-contract costs, changes in work scope, contract programmes, defects and maintenance liabilities and changes in costs.

Tangible assets

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure associated with bringing the asset to its operating location and condition.

The principal annual rates of depreciation used are as follows:

Freehold and long leasehold property	5%
Plant and equipment	4 - 25%
Motor vehicles	12.5%
Office equipment	25%
Small tools, cranes and piling hammers	5 - 10%

BPH Equipment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

1 Accounting policies (continued)

Tax

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.

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.

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.

2 Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax. Turnover is recognised over the life of the hire agreement.

All turnover arises in the United Kingdom.

BPH Equipment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

3 Operating profit

Arrived at after charging/(crediting)

	2018 £ 000	2017 £ 000
Depreciation of owned tangible fixed assets	-	1,217
Profit on sale of fixed assets	-	(74)

4 Staff costs

On 1 February 2013, employees of the Company were transferred to Balfour Beatty Group Employment Limited (BBGEL) which has been established as the employing entity for the Balfour Beatty Group's UK businesses. Employment costs for these employees are recorded in BBGEL's financial statements from 1 February 2013.

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

In 2017, a management fee of £1.7m was paid to BBGEL for services provided.

5 Auditor's remuneration

The Company was entitled to exemption from audit under section 480 of the Companies Act 2006 relating to dormant companies for the year ended 31 December 2018.

In 2017 the audit fee payable for audit of the Company's annual accounts was borne by Balfour Beatty Group Limited and was not recharged.

6 Directors' remuneration

	2018 £ 000	2017 £ 000
Directors' remuneration	-	290
Company contributions to money purchase pension plans	-	17

The aggregate of remuneration of the highest paid director was £0 (2017: £92,828), and company pension contributions of £0 (2017: £9,688) were made to a money purchase scheme on his behalf.

Retirement benefits are accruing to the following number of directors under:

	2018 Number	2017 Number
Money purchase schemes	-	2

BPH Equipment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

6 Directors' remuneration (continued)

From 1 February 2013, Directors' remuneration is paid by Balfour Beatty Group Employment Limited. As the Company is now an agent of Balfour Beatty Group Limited, the Company's Directors' remuneration is dealt with in the financial statements of Balfour Beatty Group Employment Limited.

7 Income tax

Tax charged/(credited) in the profit and loss account

	2018 £ 000	2017 £ 000
Current taxation		
UK corporation tax adjustment to prior periods	-	(537)
Deferred taxation		
Arising from origination and reversal of temporary differences	-	(220)
Arising from changes in tax rates and laws	-	26
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	-	(23)
Total deferred taxation	-	(217)
Tax receipt in the profit and loss account	-	(754)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2017 - lower than the standard rate of corporation tax in the UK) of 19% (2017 - 19.25%).

The differences are reconciled below:

	2018 £ 000	2017 £ 000
Profit before tax	-	501
Corporation tax at standard rate	-	96
Increase (decrease) in current tax from adjustment for prior periods	-	(560)
Increase (decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	-	20
Increase (decrease) arising from group relief tax reconciliation	-	(336)
Deferred tax expense (credit) relating to changes in tax rates or laws	-	26
Total tax credit	-	(754)

The Company earns its profits primarily in the UK, therefore the tax rate used for tax on profit on ordinary activities is the current UK corporation tax rate of 19% (2017: 19.25%).

BPH Equipment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

7 Income tax (continued)

Deferred tax

There was no deferred tax movement during the current year. Prior year movement is as follows:

	At 1 January 2017 £ 000	Recognised in income £ 000	Transfer to group company £ 000	At 31 December 2017 £ 000
Accelerated tax depreciation	(363)	208	155	-
Provisions	25	9	(34)	-
Net tax assets/(liabilities)	<u>(338)</u>	<u>217</u>	<u>121</u>	<u>-</u>

8 Tangible assets

	Plant and equipment £ 000	Total £ 000
Cost or valuation		
At 1 January 2017	22,026	22,026
Disposals	(2,683)	(2,683)
Transfers	<u>(19,343)</u>	<u>(19,343)</u>
At 31 December 2017	-	-
At 1 January 2018	-	-
At 31 December 2018	-	-
Depreciation		
At 1 January 2017	9,079	9,079
Charge for year	1,217	1,217
Eliminated on disposal	(1,524)	(1,524)
Transfers	<u>(8,772)</u>	<u>(8,772)</u>
At 31 December 2017	-	-
At 1 January 2018	-	-
At 31 December 2018	-	-
Carrying amount		
At 1 January 2017	<u>12,947</u>	<u>12,947</u>
At 31 December 2017	-	-
At 31 December 2018	-	-

BPH Equipment Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2018

9 Trade and other debtors

	2018 £ 000	2017 £ 000
Amounts owed by group undertakings	<u>23,377</u>	<u>23,377</u>

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

10 Share capital

Allotted, called up and fully paid shares

	No. 000	2018 £ 000	No. 000	2017 £ 000
Ordinary shares of £1 each	<u>5,550</u>	<u>5,550</u>	<u>5,550</u>	<u>5,550</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.
Profit and loss account	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

12 Related party transactions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to related party transactions between wholly-owned member companies of Balfour Beatty plc group.

13 Parent and ultimate parent undertaking

The company's immediate parent is Birse Group Limited.

The ultimate parent is Balfour Beatty plc.

The most senior parent entity producing publicly available financial statements is Balfour Beatty plc. These financial statements are available upon request from 5 Churchill Place, Canary Wharf, London, E14 5HU and on the Balfour Beatty website: www.balfourbeatty.com. They may be also viewed at the Companies House website at www.beta.companieshouse.gov.uk and via the National Storage Mechanism, which is located at www.morningstar.co.uk/uk/NSM.