

COMPANY REGISTRATION NUMBER. 2141245

BIRSE STADIA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012

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BIRSE STADIA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012

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BIRSE STADIA LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Directors

W O Aitchison MRICS	(appointed 12 October 2012)
A J Fegbeutel	(appointed 12 October 2012)
D J Greenspan BA ACA	(resigned 26 October 2012)
S J Waite FRICS MCIOB	
R V Walker BSc FRICS	(resigned 24 May 2013)

Secretary

D J Greenspan BA ACA	(resigned 12 October 2012)
G W Mutch	(appointed 12 October 2012)

Registered Office

Alexander House
4 Station Road
Cheadle Hulme
Cheshire
SK8 5AE

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
2 New Street Square
London
EC4A 3BZ

BIRSE STADIA LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012

The Directors present their annual report on the affairs of Birse Stadia Limited ('the Company'), together with the financial statements and auditor's report for the year ended 31 December 2012. This Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Principal Activities and Business Review

The Company was previously involved in the design and construction of stadia within the sport and leisure sectors. Further to the downsizing of operations, it was resolved in 2003 to discontinue the business and no new contracts have since been undertaken.

On 24 July 2006, Birse Group plc (the ultimate parent company of the Company at that time), was acquired by Balfour Beatty plc. From that date, management responsibility for the commercial wind-down of the Company was transferred to Mansell Construction Services Limited, one of the Balfour Beatty Group's ('the Group') principal operating subsidiaries.

The commercial close-down of the business continued in the year. A dedicated team is managing the close-out of residual contract positions and good progress continued to be made progressing final account settlements and close-out of defects rectification works.

Turnover for the year was £nil (2011: £nil). The operating profit for the year was £345,000 (2011: £nil).

Risk Management

Effective risk management is fundamental to how the business is run and underpins the delivery of the Company's and the Group's objectives. It is essential in helping to achieve sustainable shareholder value and in protecting reputation.

The Group's approach to risk management is to identify at an early stage key risks and then to develop actions to eliminate or mitigate, to an acceptable level, the impact and likelihood of those risks. Risk management processes are embedded throughout the Group, at all levels, and assist management in identifying and understanding the risks being faced in delivering business objectives and the status of the key controls which are in place to manage those risks. These processes form an integral part of the day-to-day business activities of the Group.

Further details of the Group's risk management processes and the roles and responsibilities of management within the Group can be found in Balfour Beatty plc's annual report and accounts.

Supplier Payment Policy

The Company's policy is to settle the terms of payment with suppliers when agreeing the terms for each transaction or series of transactions to ensure that suppliers are aware of the terms of payment and to abide by these terms of payment as and when satisfied that the supplier has provided the goods or services in accordance with the agreed terms. Due to the continuing close-down of the business in the year, a figure for the Company's average creditor payment period has not been calculated.

Corporate Responsibility

The Group publishes a report on Corporate Responsibility annually which includes a description of the Group's broader corporate responsibilities. The Group's systems for governance and management of risk, safety, environmental and social issues are described in that report, together with the Group's performance in these areas and the targets set to drive improvements. The report is available at www.balfourbeatty.com.

Directors

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

W O Aitchison MRICS	(appointed 12 October 2012)
A J Fegbeutel	(appointed 12 October 2012)
D J Greenspan BA ACA	(resigned 26 October 2012)
S J Waite FRICS MCIOB	
R V Walker BSc FRICS	(resigned 24 May 2013)

Directors' indemnities

The Directors are covered under a qualifying third party group indemnity provision provided by the Company's Ultimate Parent Company.

BIRSE STADIA LIMITED

DIRECTORS' REPORT (continued)

Going Concern

As the Company has ceased trading, in accordance with Financial Reporting Standard 18, 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.

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 ought to have taken as a Director in order to make himself 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.

Deloitte LLP has indicated their willingness to continue in office as auditor.

Statement of Directors' responsibilities

The Directors are responsible for preparing the annual report and 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,
- 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,
- 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.

By order of the Board



G W Mutch
Company Secretary
28 June 2013

Registered office
Alexander House
4 Station Road
Cheadle Hulme
Cheshire
SK8 5AE

Registered in England
Number 2141245

BIRSE STADIA LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BIRSE STADIA LIMITED

We have audited the financial statements of Birse Stadia Limited for the year ended 31 December 2012 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 auditors

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. 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 2012 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 on a basis other than that of a going concern

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.

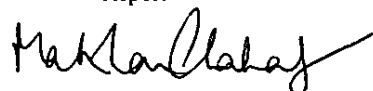
Opinion on other matter prescribed by the Companies Act 2006

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 take advantage of the small companies exemption in preparing the Directors' Report.



Makhan Chahal (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
London, United Kingdom
28 June 2013

BIRSE STADIA LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012

	Notes	2012 £'000	2011 £'000
Cost of sales		345	-
Profit on ordinary activities before taxation		<u>345</u>	<u>-</u>
Tax on profit on ordinary activities	4	(11)	-
Retained profit for the period	10	<u>334</u>	<u>-</u>

All activities derive from discontinued operations

On 24 July 2006, Birse Group plc (the ultimate parent company of the Company at that time), was acquired by Balfour Beatty plc. From that date management responsibility for the commercial wind-down of the Company was transferred to Mansell Construction Services Limited, one of the Balfour Beatty Group's principal operating subsidiaries.

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

BIRSE STADIA LIMITED
BALANCE SHEET AS AT 31 DECEMBER 2012

	Notes	2012 £'000	2011 £'000
Creditors' amounts falling due within one year	6	(9,575)	(9,909)
Net current liabilities		<u>(9,575)</u>	<u>(9,909)</u>
Capital and reserves			
Called up share capital	8	1	1
Profit and loss account	9	(9,576)	(9,910)
Equity shareholders' deficit	10	<u>(9,575)</u>	<u>(9,909)</u>

The financial statements of Birse Stadia Limited, registered number 2141245, were approved by the Board of Directors on 28 June 2013 and signed on its behalf by



A J Fegbeutel
Director

BIRSE STADIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

I. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards. This policy has been applied consistently throughout the year and the preceding year.

A summary of the principal accounting policies is set out below.

Basis of preparation

As the Company has ceased trading, in accordance with Financial Reporting Standard 18, 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.

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 which include the Company and are publicly available.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation less any provision for impairment.

Depreciation is provided on a straight line basis over the estimated useful lives of the assets concerned. The annual rates of depreciation are as follows:

Fixtures and fittings	20% - 33%
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Long-term contracts

Amounts recoverable on long-term contracts which are included in debtors are stated at the net sales value of the work carried out less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Profit recognition

Profit on individual contracts is taken only when the outcome can be foreseen with reasonable certainty, based on the lower of the percentage margin earned to date and that prudently forecast at completion, taking account of agreed claims. Full provision is made for all known or expected losses on individual contracts, taking a prudent view of future claims income. Immediately such losses are foreseen, profit for the period includes the benefit of claims settled on contracts completed in prior years.

In assessing contract performance and in establishing provisions for contractual liabilities, the amounts recorded are dependent upon negotiations with customers, which in some cases are complex and unlikely to be resolved in the short-term. Accordingly, management have made their best estimate of the likely future outcomes based upon the information currently available to them.

Pre-contract costs are expensed as incurred until it is virtually certain that a contract will be awarded, from which time further pre-contract costs are recognised as an asset and charged as an expense over the period of the contract. Amounts recovered in respect of costs that have been written off are deferred and amortised over the life of the contract.

BIRSE STADIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

1 Accounting policies (continued)

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. No provision is made for tax on capital gains which would arise if the properties were disposed of at the cost at which they are included in the financial statements

2. Operating profit

The auditor's remuneration in connection with the statutory audit of the Company's accounts for the year was £1,000 (2011: £1,000). The auditor's remuneration was borne by Mansell Build Limited in both periods

There were no fees payable to the Company's auditor for other services provided to the Company in the current year or prior year

3. Information regarding Directors and Employees

The Company has no employees (2011: nil)

The remuneration of the Directors, for the current and prior year, for services to the Company is recorded in the financial statements of Mansell Construction Services Limited

4 Tax on Profit on ordinary activities

	2012 £'000	2011 £'000
Current tax:		
United Kingdom corporation tax on profits of the year at 24.5% (2011: 26.5%)	11	-
Total current tax credit	11	-
Tax reconciliation		
Profit on ordinary activities before taxation	345	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011: 26.5%)	85	-
Effects of Utilisation of losses brought forward	(74)	-
Current tax credit for the year	11	-

BIRSE STADIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. Fixed assets

	Fixtures and fittings £'000
Cost	
At 1 January 2012 and 31 December 2012	<u>1</u>
Depreciation	
At 1 January 2012 and 31 December 2012	<u>1</u>
Net book value	
At 31 December 2011 and 31 December 2012	<u>-</u>

6 Creditors amounts falling due within one year

	2012 £'000	2011 £'000
Subcontractor retentions	68	194
Amounts owed to parent company and fellow subsidiary undertakings	9,496	9,496
Accruals and deferred income	11	219
Total creditors	<u>9,575</u>	<u>9 909</u>

7 Deferred taxation

	Provided		Unprovided	
	2012 £'000	2011 £ 000	2012 £'000	2011 £ 000
Short-term timing differences	-	-	-	-
Tax losses	-	-	-	81
Total deferred taxation	<u>-</u>	<u>-</u>	<u>-</u>	<u>81</u>

	£'000
At 1 January 2012	-
Profit and loss account movement	-
At 31 December 2012	<u>-</u>

The Finance Act 2012 was enacted on 17 July 2012 implementing a reduction to the main UK Corporation Tax rate from 25% to 24% effective from 1 April 2012, with a further reduction of 1% to 23% from 1 April 2013. As a result of the change the deferred tax balances have been re-measured.

In the 2012 Autumn Statement it was announced, that there will be a further 2% reduction in the main UK Corporation Tax Rate, to bring the rate down to 21% from 1 April 2014. The 2013 Chancellor's Budget subsequently announced a further fall to 20% effective from 1 April 2015.

The changes had not been substantively enacted at the balance sheet date and therefore are not included in these financial statements.

8 Called up share capital

	2012 £'000	2011 £ 000
Authorised		
1,000 (2011: 1,000) Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Called up, allotted and fully paid		
1,000 (2011: 1,000) Ordinary shares of £1 each	<u>1</u>	<u>1</u>

BIRSE STADIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. Reserves

	Profit and loss account £'000
At 1 January 2012	(9,910)
Profit for the period	334
At 31 December 2012	<u>(9,576)</u>

10. Shareholders' deficit

	2012 £'000	2011 £'000
Profit on ordinary activities after taxation	334	-
Net change in shareholders' deficit	<u>334</u>	<u>-</u>
Opening shareholders' deficit	(9,909)	(9,909)
Closing shareholders' deficit	<u>(9,575)</u>	<u>(9,909)</u>

11. Contingent liabilities, guarantees and security

Contingent liabilities are not expected to give rise to any material loss. The Company has, in the normal course of business, given guarantees and entered into counter-indemnities in respect of bonds relating to the contracts undertaken by the Company.

Provision is made for the Directors' best estimate of known legal claims, investigations and legal actions in progress. The Company takes legal advice as to the likelihood of success of claims and actions and no provision is made where the Directors consider, based on that advice that the action is unlikely to succeed or a sufficiently reliable estimate of the potential obligation cannot be made.

There was no material capital expenditure either contracted for, or authorised but not contracted for, at 31 December 2012 (2011: £nil).

12. Related party transactions

The Company, as a wholly owned subsidiary of Mansell Build Limited, has taken advantage of the exemptions available in FRS 8 not to disclose transactions with other wholly owned group companies.

There were no other related party transactions in the current period or prior year.

13. Ultimate parent company

The Company is a wholly owned subsidiary of Mansell Build Limited incorporated in Great Britain and registered in England and Wales, which does not prepare consolidated financial statements.

The Company's ultimate parent undertaking 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 the Company Secretary, Balfour Beatty plc, 130 Wilton Road, London SW1V 1LQ and on the Balfour Beatty website at www.balfourbeatty.com.