

Companies House Copy

Amey plc

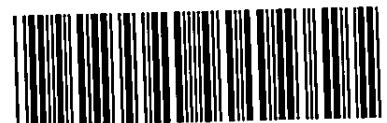
Report and Financial Statements

Year ended

31 December 2009

Company number 02379479

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COMPANIES HOUSE

Amey plc

Annual report and financial statements for the year ended 31 December 2009

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Directors

Sir Richard Mottram	Chairman
S Olivares	Vice Chairman
J Aguirre	
M Ewell	
A Garcia	
F Lopez	
A L Nelson	
N Villén	

Secretary and registered office

W A Robertson, The Sherard Building, Edmund Halley Road, Oxford, OX4 4DQ

Company number

02379479

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Amey plc

Report of the Directors for the year ended 31 December 2009

The Directors present their report together with the audited financial statements for the year ended 31 December 2009

Results and dividends

The Company profit and loss account for the year is set out on page 6 and shows a profit after tax of £386,082,000 (2008 – £35,875,000 loss). The Company received income from fixed asset investments of £290,000,000 (2008 - £nil) during the year. Net releases of provisions against impairments to investments in subsidiary undertakings gave rise to a credit of £109,687,000 (2008 – £14,444,000).

A dividend of £10,000,000 (2008 - £nil), representing £2.757276 per Ordinary share (2008 - £nil per Ordinary share), was paid during the year. The Directors do not recommend the payment of a final dividend.

On 30 July 2009, the Company received court approval for the transfer of the balance on its share premium account of £237,447,000 to its retained profit and loss account.

Principal activities, trading review and future developments

Amey plc is a subsidiary undertaking of Amey UK plc, which is owned by Ferrovial Servicios, S A, a wholly owned subsidiary undertaking of Ferrovial, S A, which is a leading construction and services group based in Spain.

Amey plc is a holding company for the Amey Group whose principal activities are

- Amey Operations – addressing the Inter-Urban, Local Government and Built Environment markets as supported by Consulting and Logistics operations
- Amey Tube Services – maintains and upgrades London Underground's Jubilee, Northern and Piccadilly lines
- Amey Ventures – a bidding unit supporting Amey Operations specialising in complex structured finance projects and the management of Amey's equity investments in PFI/PPP projects

The detailed trading review of these businesses is disclosed in the financial statements of Amey UK plc, the Company's parent undertaking. There have been no events since the balance sheet date which materially affect the position of the Company.

Principal risks and uncertainties

The Company's risks and key performance indicators are reported and managed on a Divisional basis. To gain a further understanding of this business, details of the Divisional reviews are contained in the Report and Financial Statements of the intermediate parent undertaking, Amey UK plc, for the year ended 31 December 2009.

Report of the Directors for the year ended 31 December 2009 (continued)

Directors

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

Sir Richard Mottram	Chairman
S Olivares	Vice Chairman
J Aguirre	
M Ewell	
A Garcia	
F Lopez	
A L Nelson	
N Villén	
C Hui	(resigned 15 March 2009)
C C Webster	(resigned 11 April 2010)

Payment policy and practice

The Company recognises the importance of good relationships with its suppliers and subcontractors. Although the Company does not follow a particular code or standard on payment practice, its payment policy is to

- Agree payment terms in advance of any commitment being entered into
- Ensure suppliers are made aware of these terms by inclusion of the terms of payment on the order or contract
- Make payments in accordance with the terms, wherever possible, providing that the documentation presented is complete and accurate

The Company had no trade creditors at the year end (2008 – nil)

Auditors

Resolutions to reappoint BDO LLP as auditors of the Company and to authorise the Directors to fix their remuneration will be proposed at the next Annual General Meeting

Report of the Directors for the year ended 31 December 2009 (continued)

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 then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

By order of the Board



Mel Ewell
Director

28 April 2010

Independent auditor's report to the members of Amey plc

We have audited the financial statements of Amey plc for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. 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 sections 495 and 496 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, 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 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

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.

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 2009 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.

Report of the independent auditors (*continued*)

Independent auditor's report to the members of Amey plc (*continued*)

Opinion on other matters 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



*Douglas Lowson (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
London
United Kingdom*

28 APR 2010

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Profit and loss account for the year ended 31 December 2009

	Note	2009 £'000	2008 £'000
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(10,047)	(2,703)
Operating profit (loss)		(10,047)	(2,703)
Income from fixed asset investments		290,000	-
Release of provision held against subsidiary undertakings		109,687	14,444
Profit on ordinary activities before interest	4	389,640	11,741
Net finance costs	5	(3,558)	(47,289)
Profit (loss) on ordinary activities before tax		386,082	(35,548)
Tax charge on profit (loss) on ordinary activities	6	-	(327)
Profit (loss) after tax and retained for the financial year	14	386,082	(35,875)

All transactions related to continuing operations

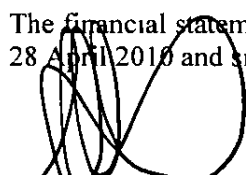
There were no recognised gains or losses other than the profit (loss) for the years

The notes on pages 8 to 16 form part of these financial statements

Balance sheet at 31 December 2009

	Note	2009 £'000	2008 £'000
Fixed assets			
Investment in subsidiary undertakings	8	<u>200,082</u>	<u>110,566</u>
Current assets			
Debtors	9	236,243	184,397
Cash at bank and in hand		<u>3,800</u>	<u>-</u>
		240,043	184,397
Creditors – amounts falling due within one year	10	<u>(205,344)</u>	<u>(357,105)</u>
Net current assets (liabilities)		34,699	(172,708)
Total assets less current liabilities		234,781	(62,142)
Creditors – amounts falling due after more than one year	11	(178,620)	(236,737)
Provisions for liabilities and charges	12	<u>-</u>	<u>(21,042)</u>
Net assets (liabilities)		<u>56,161</u>	<u>(319,921)</u>
Capital and reserves			
Called up share capital	13	3,627	3,627
Share premium account	14	-	237,447
Other reserves	14	9,326	9,326
Profit and loss account	14	<u>43,208</u>	<u>(570,321)</u>
Equity shareholders' funds (deficit)	14	<u>56,161</u>	<u>(319,921)</u>

The financial statements on pages 6 to 16 were approved and authorised for issue by the Board of Directors on 28 April 2010 and signed on its behalf by



Mel Ewell
Director

The notes on pages 8 to 16 form part of these financial statements

1 Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom Accounting Standards. The Company is exempt from preparing consolidated financial statements under section 400 of the Companies Act 2006 on the grounds that it is itself a wholly owned subsidiary undertaking of a company registered in England and Wales. These financial statements therefore, present information about the individual undertaking and not about its group.

The following principal accounting policies have been applied consistently in the current and prior year.

Going concern

The Company is a subsidiary of Amey UK plc and its financial resources are managed on a Group basis. Amey UK plc renewed its banking facilities in April 2009 and has a revolving committed syndicated credit facility of £92 million maturing in April 2012 and other committed credit facilities of £46 million maturing between October 2010 and April 2011.

The current arrangements are forecast to be sufficient to finance the Amey UK plc Group's operations for a period of at least twelve months from the date of approval of these financial statements. The Group has no reason to believe that amounts remaining to be drawn down under the bank loan facilities will not be forthcoming. The Directors believe that the Group is well placed to manage its business risks successfully despite the current macro-economic market conditions.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Investment in subsidiary undertakings

Investments by the Company in the shares of subsidiary undertakings are stated at cost less any provision, where in the opinion of the Directors, there has been an impairment in the value of any such investment.

Deferred tax

Deferred tax is recognised on all timing differences where the transaction or events that give rise to an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

1 Accounting policies *(continued)**Foreign currency*

Transactions entered into by the Company in a currency other than the currency of the primary economic environment in which they operate (their 'functional currency') are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in the Group income statement.

2 Employees

The Company had no direct employees in 2009 or 2008.

No costs of Amey Services Limited were recharged to the Company in 2009 or 2008.

3 Directors

Details of the remuneration of the Directors, who are also directors of the Company's intermediate parent undertaking, Amey UK plc, are disclosed in that company's financial statements.

No Directors were remunerated through the Company in 2009 or 2008.

4 Profit on ordinary activities before interest

The profit on ordinary activities before interest is stated after charging (crediting)	2009 £'000	2008 £'000
(Decreases) increases in provisions against		
– amounts due from subsidiary undertakings	10,198	3,016
– investments in subsidiary undertakings (note 8)	(88,645)	(37)
– losses in subsidiary undertakings (note 12)	<u>(21,042)</u>	<u>(14,407)</u>

The auditors' remuneration is borne by Amey Group Services Limited, a subsidiary undertaking of the Company.

5 Net finance costs

	2009 £'000	2008 £'000
Interest payable		
Interest payable to parent undertaking	(3,891)	(5,769)
Interest payable to subsidiary undertakings	(15,869)	(9,359)
Interest payable to Landmille	(7,131)	(11,383)
Foreign exchange loss	-	(28,687)
Other interest and similar charges	(654)	(384)
	<u>(27,545)</u>	<u>(55,582)</u>
Interest receivable		
Interest receivable from subsidiary undertakings	11,595	7,898
Other interest receivable and similar income	505	395
Foreign exchange gain	11,887	-
	<u>23,987</u>	<u>8,293</u>
Net finance costs	<u>(3,558)</u>	<u>(47,289)</u>

6 Tax on profit (loss) on ordinary activities

	2009 £'000	2008 £'000
Analysis of charge in the year		
<i>Current tax</i>		
UK corporation tax at 28% (2008 – 28.5%)	-	-
Total current tax	-	-
<i>Deferred tax</i>		
Transfer from deferred tax asset	-	327
Tax on profit (loss) on ordinary activities	<u>-</u>	<u>327</u>

6 Tax on profit (loss) on ordinary activities (continued)

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below

	2009 £'000	2008 £'000
Profit (loss) on ordinary activities before tax	<u>386,082</u>	<u>(35,548)</u>
Profit (loss) on ordinary activities at the standard rate of corporation tax in the UK of 28% (2008 - 28.5%)	108,103	(10,131)
<i>Adjusted for</i>		
Expenses income not deductible for tax purposes	(27,899)	(3,257)
Non-taxable investment income	(81,200)	-
Group relief surrendered	<u>996</u>	<u>13,388</u>
Current tax charge for year	<u>-</u>	<u>-</u>

The estimated value of the potential deferred tax asset not recognised of £5,137,000 (2008 - £3,340,000) was in respect of unutilised tax losses of £18,347,000 (2008 - £11,930,000), measured at the standard tax rate of 28% (2008 - 28%)

A deferred tax asset has not been recognised as the Company does not anticipate paying tax in the foreseeable future

7 Dividends

	2009 £'000	2008 £'000
Interim dividend paid of £2.757276 per Ordinary share (2008 - £nil per Ordinary share)	<u>10,000</u>	<u>-</u>

8 Investments in subsidiary undertakings

	Cost £'000	Provisions £'000	Net £'000
At 1 January 2009	442,650	(332,084)	110,566
Additions	886	-	886
Amounts credited to the profit and loss account	-	88,645	88,645
Intercompany transfers	(15)	-	(15)
At 31 December 2009	443,521	(243,439)	200,082

The principal subsidiary undertakings are set out below. Unless otherwise stated, all subsidiary and joint venture undertakings are incorporated and operate in Great Britain and voting rights and interests in their Ordinary shares are 100% held by Amey plc.

During the year the Company disposed of its holding in Amey Ventures Investments Limited to Amey Investments Limited at book value prior to the disposal of a 50% holding in the shares of Amey Ventures Investment Limited by Amey Investments Limited on 14 December 2009.

Subsidiary undertaking

Amey Airports Limited
Amey Building Limited
Amey Community Limited
Amey Construction Limited
Amey Facilities Partners Limited *
Amey Fleet Services Limited
Amey Group Information Services Limited
Amey Group Services Limited
Amey Information Services Limited
Amey LG Limited
Amey Insurance Company PCC Limited **
Amey IT Services Limited
Amey Investments Limited
Amey Lighting (Norfolk) Holdings Limited *
Amey LUL 2 Limited *
Amey Programme Management Limited
Amey Projects Limited
Amey Rail Limited
Amey Roads (North Lanarkshire) Limited (67%) *
Amey Services Limited
Amey Ventures Limited
Amey Ventures Asset Holdings Limited *
Amey Ventures Management Services Limited *
Amey Wye Valley Limited (80%)*
JNP Ventures Limited *
JNP Ventures 2 Limited *
Sherard Secretariat Services Limited

Nature of business

Business support services
Building contractors
Facilities management services
Civil engineering
Business support services
Specialist fleet support services
Group IT services
Group central services
Information services to utilities market
Highway management and maintenance
Captive insurance company
IT consultancy
Investment management
Operation of PFI street lighting concession
Sub-surface rail management services
Asset and whole-life availability
Building contractors
Rail services, management and maintenance
Highway management and maintenance
Payroll services
Bid management
Investment management
Investment management
Highways maintenance and other services
Sub-surface rail management services
Sub-surface rail management services
Company secretarial services

8 Investments in subsidiary undertakings (continued)

Joint venture undertaking	Nature of business
Tube Lines (Holdings) Limited (67%) *	PPP infrastructure maintenance and enhancement of the Jubilee, Northern and Piccadilly lines under PPP contract with LUL
Amey Ventures Investments Limited (50%) *	Investment management

* Investments held indirectly through another subsidiary undertaking

**Incorporated and operates solely in Guernsey

9 Debtors

	2009	2008
	£'000	£'000
Amounts falling due within one year		
Amounts due from subsidiary undertakings	338,470	275,129
Provision against amounts due from subsidiary undertakings	(107,558)	(97,360)
Corporation tax	1,369	2,549
Other tax and social security	3,957	3,905
Other debtors	5	174
	<u>236,243</u>	<u>184,397</u>

10 Creditors – amounts falling due within one year

	2009	2008
	£'000	£'000
Bank overdrafts	8,090	886
Payments received on account	46	43
Amounts due to subsidiary undertakings	196,481	349,996
Amounts due to Ferrovial Servicios, S A	-	517
Amounts due to Landmille Limited	-	5,367
Other creditors	727	68
Accruals	-	228
	<u>205,344</u>	<u>357,105</u>

11 Creditors – amounts falling due after more than one year

	2009 £'000	2008 £'000
Due in more than two years but not more than five years		
Amount due to parent undertaking	29,840	76,325
Amount due to Landmille Limited	<u>148,780</u>	<u>160,412</u>
	<u>178,620</u>	<u>236,737</u>

Landmille Limited is a subsidiary undertaking of Ferrovial Servicios, S A

12 Provisions for liabilities and charges

	£'000
Provision against subsidiary undertakings losses	
At 1 January 2009	21,042
Amount credited to the profit and loss account	<u>(21,042)</u>
At 31 December 2009	<u>-</u>

The provision in subsidiary undertakings was made to reflect the net liabilities of certain subsidiary undertakings

13 Share capital

	2009 Number	2008 Number	2009 £'000	2008 £'000
Ordinary shares of £1 each				
Authorised	<u>4,000,000</u>	<u>4,000,000</u>	<u>4,000</u>	<u>4,000</u>
Allotted, called up and fully paid	<u>3,626,768</u>	<u>3,626,768</u>	<u>3,627</u>	<u>3,627</u>

14 Reconciliation of movements in shareholders' funds

	Share capital £'000	Share premium £'000	Other reserves £'000	Profit and loss account £'000	Total 2009 £'000	Total 2008 £'000
At 1 January 2009	3,627	237,447	9,326	(570,321)	(319,921)	(284,046)
Retained profit (loss) for the year	-	-	-	386,082	386,082	(35,875)
Dividends paid	-	-	-	(10,000)	(10,000)	-
Transfer	-	(237,447)	-	237,447	-	-
At 31 December 2009	3,627	-	9,326	43,208	56,161	(319,921)

The Company's other reserves relate to the accumulated surplus on issue of Ordinary shares subject to merger relief (£9,326,000)

On 30 July 2009, the Company received court approval for the transfer of the balance on its share premium account of £237,447,000 to its retained profit and loss account

15 Financial and capital commitments

The Company had no financial or capital commitments at 31 December 2009 or at 31 December 2008

16 Contingent liabilities

The Company has guaranteed certain performance bonds and borrowings of certain subsidiary undertakings

Losses for which no provision has been made in these financial statements which might arise from litigation in the normal course of business are not expected to be material in the context of these financial statements

There were no other contingent liabilities as at 31 December 2009 or at 31 December 2008

17 Related party transactions

The Company is a wholly owned subsidiary undertaking of the group headed by Ferrovial, S A and has taken advantage of the exemption conferred by FRS 8 (Related Party Disclosures) not to disclose transactions with Ferrovial, S A or other wholly owned subsidiary undertakings within the Ferrovial, S A group

18 Cash flow statement

The Company has taken advantage of the exemption conferred by FRS 1 (Cash Flow Statements) not to prepare a cash flow statement on the basis that the Company's results are included in the consolidated financial statements of Ferrovial, S A , the Company's ultimate parent undertaking, whose financial statements are publicly available

19 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is Ferrovial, S A , a company incorporated in Spain

Copies of the group financial statements of Ferrovial, S A , which is the parent of the largest group of which the Company is a member, can be obtained from

Ferrovial, S A
Principe de Vergara, 135
28002 Madrid
Spain

Copies of the group financial statements of Amey UK plc, which is the parent of the smallest group for which group financial statements are prepared and of which the Company is a member, can be obtained from

Amey UK plc
The Sherard Building
Edmund Halley Road
Oxford
OX4 4DQ