

**IT INCORPORATED LIMITED**

**Report and Financial Statements**

**Year ended 31 December 2008**

**Deloitte LLP  
Leeds**

**TUESDAY**



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**COMPANIES HOUSE**

# **IT INCORPORATED LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2008**

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**IT INCORPORATED LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2008**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTOR**

P H Morris  
M R Johnson

**SECRETARY**

P H Morris

**REGISTERED OFFICE**

Humber Road  
Barton on Humber  
North Lincolnshire  
DN18 5BW

**BANKERS**

HSBC plc  
8 Canada Square  
London  
E14 5HQ

**AUDITORS**

Deloitte LLP  
Chartered Accountants and Registered Auditors  
Leeds

# **IT INCORPORATED LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2008.

### **PRINCIPAL ACTIVITIES**

The results for the year are set out in the profit and loss account on page 6.

In the period to 31 December 2007 the Company supplied IT support services to companies within the Balfour Beatty Group.

During the prior period the services previously offered by IT Incorporated Ltd were combined with the existing Balfour Beatty Civil Engineering IT support services to offer one central IT support infrastructure to the whole of Balfour Beatty Civil Engineering.

On 1 January 2008 the trade and assets of the company were transferred to Balfour Beatty Group Limited, another group company at book value. Following the transfer the company ceased trading. These financial statements have therefore been prepared on a basis other than a going concern.

### **DIRECTORS**

The present membership of the Board is as set out on page 1.

The directors who served during the year were as follows:

P H Morris

M R Johnson (appointed 31 December 2008)

W C Ellis resigned as company secretary on 1 January 2009 and was replaced on that date by P H Morris.

### **DIVIDEND**

The directors do not recommend a final dividend (2007: £nil).

### **TAXATION STATUS**

As far as the directors are aware, the company is not a close company for taxation purposes.

### **EMPLOYEES**

The Company has continued its policy regarding the employment of disabled persons. Full and fair consideration is given to the applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

Appropriate training is arranged for disabled persons and employees who become disabled, including retraining for alternative work, with the objective of promoting their career development within the organisation.

Employees are encouraged to discuss with management any matters about which they are concerned and factors affecting the Company. In addition, the Board takes account of employees' interests when making decisions, and the employees are informed of the Company's performance on a regular basis. Suggestions from employees aimed at improving the Company's performance are encouraged.

Full and fair consideration is given to all applicants for employment, irrespective of colour or creed.

# IT INCORPORATED LIMITED

## DIRECTORS' REPORT (continued)

### SUPPLIER PAYMENT POLICY

Where appropriate to the circumstances prevailing, it is the policy of the company to place orders with suppliers in documented form and process such orders for payment in accordance with terms and conditions set out therein.

The trade creditors at 31 December 2008 represent nil creditor days (2007: 31 days) based on the total amounts invoiced by suppliers during the year.

### TREASURY

The company's treasury operates procedures designed to reduce or eliminate financial risk. The policies are approved by the Board and the use of financial instruments is strictly controlled.

The company's principal financial instruments comprise borrowings, cash and various items, such as trade debtors and trade creditors that arise directly from its operations. The company does not use interest rate swaps to manage the interest rate risks arising from the company's operations.

### AUDITORS

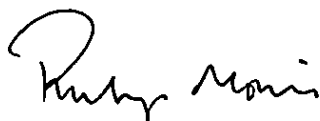
In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as the directors are aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

A resolution to re-appoint Deloitte LLP as the Company's auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Director



P H Morris

Director

30<sup>th</sup> June 2009

# **IT INCORPORATED LIMITED**

## **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and 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;
- 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 proper accounting records that 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 1985. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IT INCORPORATED LIMITED**

We have audited the financial statements of IT Incorporated Limited for the year ended 31 December 2008 which comprise the profit and loss account, the balance sheet, the reconciliation of movements in shareholders' funds, the statement of total recognised gains and losses and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 director and auditors**

The director's responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Director's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Director's Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

## **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the director's report is consistent with the financial statements.

## **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 qualified, 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.

Deloitte LLP   
Chartered Accountants and Registered Auditors  
Leeds

6 July 2009

# IT INCORPORATED LIMITED

## PROFIT AND LOSS ACCOUNT

Year ended 31 December 2008

	Note	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
<b>TURNOVER</b>	2	-	3,232
Cost of sales		-	(2,047)
Gross profit		-	1,185
Administrative expenses		-	(453)
<b>OPERATING PROFIT</b>	4	-	732
Net interest receivable	5	-	27
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		-	759
Tax on profit on ordinary activities	6	-	(191)
<b>PROFIT AFTER TAXATION FOR THE FINANCIAL YEAR/PERIOD</b>	12	-	568

The above results relate to discontinued activities.

### STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The results above comprise the total recognised gains and losses in the current year and preceding financial period.



# IT INCORPORATED LIMITED

## BALANCE SHEET

As at 31 December 2008

		2008 £'000	2007 £'000
	Note		
<b>FIXED ASSETS</b>			
Tangible assets	7	-	52
		<u>-</u>	<u>52</u>
<b>CURRENT ASSETS</b>			
Debtors	8	1,853	2,134
Cash at bank and in hand		-	803
		<u>1,853</u>	<u>2,937</u>
<b>CREDITORS: amounts falling due within one year</b>	9	-	(1,136)
<b>NET CURRENT ASSETS</b>		<u>1,853</u>	<u>1,801</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,853</u>	<u>1,853</u>
<b>NET ASSETS</b>		<u>1,853</u>	<u>1,853</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	1	1
Profit and loss account	12	1,852	1,852
<b>SHAREHOLDERS' FUNDS</b>		<u>1,853</u>	<u>1,853</u>

These financial statements were approved by the Director on 30 June 2009.

Signed by the Director



Director

# IT INCORPORATED LIMITED

## RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Year ended 31 December 2008

	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
Profit for the financial year/period	-	568
Net addition to shareholders' funds	-	568
Opening shareholders' funds	1,853	1,285
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<b>1,853</b>	<b>1,853</b>

# IT INCORPORATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

### 1. ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention in accordance with the reporting requirements of the Companies Act 1985, together with applicable United Kingdom accounting standards.

A summary of the principal accounting policies is set out below. All of these have been applied consistently throughout the current year and preceding period. The company transferred its trade and assets to another group company on 1 January 2008. As required by FRS 18, "Accounting Policies", the directors have prepared the financial statements on the basis that the company is no longer a going concern. No material adjustments arose as a result of ceasing to apply the going concern basis.

#### Cash flow statement

The company is exempt from the requirement of FRS 1 (Revised) to prepare a cash flow statement, as it is a wholly owned subsidiary undertaking of Balfour Beatty plc which prepares publicly available consolidated financial statements.

#### Tangible fixed assets

Fixed assets are stated at cost less provision for any impairment and depreciation. 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%
Leasehold property	Over the life of the lease

#### Taxation

Current tax, including UK corporation tax and foreign tax, is provided on amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

### 2. TURNOVER

Turnover, derived from the principal activity, is calculated on the basis of the value of work executed during the year within the United Kingdom excluding value added tax. Turnover is recognised on the transfer of goods and services to the third party.

# IT INCORPORATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
<b>Directors' emoluments</b>		
Remuneration	-	125
Pension contributions	-	8
	<u>-</u>	<u>133</u>
	No.	No.
<b>Average number of persons to which the charges below relate</b>		
Administration	-	3
Production	-	23
	<u>-</u>	<u>26</u>
	£'000	£'000
<b>Staff costs during the year/period (including directors)</b>		
Wages and salaries	-	744
Social security costs	-	106
Pension costs	-	75
	<u>-</u>	<u>925</u>

All of the employees working for the company are employed by another group company and recharged as appropriate. At 31 December 2008 the company had no employees (2007: nil).

### 4. OPERATING PROFIT

Operating profit is stated after charging:

	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
<b>Depreciation:</b>		
Owned assets	-	39
Leased assets	-	7
<b>Rentals under operating leases:</b>		
Other	-	62
<b>Auditors' remuneration:</b>		
Audit fees	-	6
	<u>-</u>	<u>6</u>

The auditors' remuneration for the audit of the Company's accounts was £1,000. The auditors' remuneration was borne by Balfour Beatty Group Limited.

# IT INCORPORATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

### 5. NET INTEREST RECEIVABLE

	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
Bank interest receivable	-	27
	<u>-</u>	<u>27</u>

### 6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
<b>Corporation tax</b>		
United Kingdom corporation tax at 28.5% on profits for the year/period	-	46
Adjustment in respect of prior years	-	(40)
	<u>-</u>	<u>6</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	-	182
Adjustment to prior year	-	3
	<u>-</u>	<u>191</u>
Tax charge on profit for the year	<u>-</u>	<u>191</u>

#### Factors affecting tax charge for the year

The tax assessed for the year/period is equal to (2007: lower than) the average rate of corporation tax of 28.5% (2007: 30%). The differences are explained below:

	Year ended 31 December 2008 £'000	35 weeks ended 31 December 2007 £'000
Profit on ordinary activities before tax	-	759
Expected tax charge	-	228
Capital allowances in excess of depreciation	-	(182)
Adjustment in respect of prior years	-	(40)
Current tax charge on profit on ordinary activities	<u>-</u>	<u>6</u>

# IT INCORPORATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2008

### 7. FIXED ASSETS

	Leasehold property £'000	Fixtures and fittings £'000	Total £'000
<b>Cost</b>			
At 1 January 2008	108	3,123	3,231
Transfers	(108)	(3,123)	(3,231)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2008	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>			
At 1 January 2008	108	3,071	3,179
Transfers	(108)	(3,071)	(3,179)
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2008	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>			
At 31 December 2008	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2007	-	52	52
	<u>          </u>	<u>          </u>	<u>          </u>

### 8. DEBTORS

	2008 £'000	2007 £'000
Amounts owed by ultimate parent and fellow subsidiary undertakings	1,853	844
Prepayments and accrued income	-	135
Other debtors	-	117
Deferred tax (note 11)	-	1,038
	<u>          </u>	<u>          </u>
	1,853	2,134
	<u>          </u>	<u>          </u>

### 9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2008 £'000	2007 £'000
Trade creditors	-	294
Amounts owed to ultimate parent and fellow subsidiary undertakings	-	375
Other taxation and social security	-	96
Accruals and deferred income	-	371
	<u>          </u>	<u>          </u>
	-	1,136
	<u>          </u>	<u>          </u>

# IT INCORPORATED LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2008

### 10. DEFERRED TAXATION

	2008 £'000	2007 £'000
At the start of the year	-	1,223
Profit and loss account	-	(185)
At the end of the year	-	1,038

Deferred taxation provided in the accounts is at the rate of 28% (2007: 30%).

	2008 £'000	2007 £'000
Capital allowances	-	963
Short term timing differences	-	75
	-	1,038

There is no unprovided deferred tax (2007: nil).

The deferred tax assets recognised are based upon the estimated tax losses of the business that can be relieved or upon those differences that will reverse in the foreseeable future after taking into account the historical performance of the business.

### 11. CALLED UP SHARE CAPITAL

	2008 £'000	2007 £'000
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	1	1
<b>Called up, allotted and fully paid</b>		
1,000 Ordinary shares of £1 each	1	1

### 12. MOVEMENTS ON RESERVES

	Profit and loss account £'000
Balance at 31 December 2007 and 31 December 2008	1,852

### 13. CONTINGENT LIABILITIES, GUARANTEES AND SECURITY

The company, along with other members of the group registered in England, is party to a facility agreement with the Group's bankers under which the company is jointly and severally liable for any borrowings provided thereby.

### 14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions available in FRS 8 not to disclose transactions with other group companies.

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

# **IT INCORPORATED LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2008**

### **15. ULTIMATE PARENT COMPANY**

In the opinion of the director, the company's ultimate parent company is consider Balfour Beatty plc, a company registered in England and Wales, and this is the only company that prepares consolidated financial statements which include the accounts for the company. Copies of the group accounts of Balfour Beatty plc are available from its head office at 130 Wilton Road, London, SW1V 1LQ. The immediate parent company is Birse Group plc.