

**Report of the Directors and**  
**Audited Financial Statements For The Year Ended 31st December 2013**  
**for**  
**Skanska Project Developments Limited**

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For The Year Ended 31st December 2013**

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**Skanska Project Developments Limited**

**Company Information  
For The Year Ended 31st December 2013**

**Directors:**

R F Bayliss  
D B Hickling  
A T Lindelöf  
C P Treleven

**Secretary:**

S Leven

**Registered office:**

Maple Cross House  
Denham Way, Maple Cross  
Rickmansworth  
Hertfordshire  
WD3 9SW

**Registered number:**

06009021 (England and Wales)

**Auditors:**

KPMG LLP  
Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

**Report of the Directors  
For The Year Ended 31st December 2013**

The directors present their report with the financial statements of the company for the year ended 31st December 2013.

**Principal activity**

The Company's principal activity is to act as a holding company for companies engaged in property development and allied activities.

**Review of business**

The company made an operating loss of £1,371,000(2012:£2,000)

**Market and outlook**

Whilst the market conditions remain challenging the Board considers that there is scope for development of the Company's activities

**Principal risks and uncertainties**

The Company's principal risks and uncertainties are related to the developments undertaken by its subsidiaries.

**Directors**

The directors shown below have held office during the whole of the period from 1st January 2013 to the date of this report.

D B Hickling  
C P Treleven

Other changes in directors holding office are as follows:

R F Bayliss - appointed 7th August 2013  
Ms S C Fasth - resigned 1st July 2013  
A T Lindelöf - appointed 7th August 2013

None of the directors at 31st December 2012 had any interests required to be disclosed under Section 182 Companies Act 2006. There were no changes in the directors' interests between 31st December 2012 and the date of this report. No director during the year had a material interest in any contract significant to the Company's business.

**Directors' indemnity provisions**

In accordance with the provisions of the Companies (Audit, Investigations and Community Enterprise) Act 2004, as at the date of this report, the articles of association contained provisions for third-party qualifying indemnities where the Company had agreed to indemnify the directors in respect of losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of the Company, and this was in force throughout the financial year ended 31st December 2012.

**Political donations and expenditure**

During the current and preceding year the Company made no charitable or political donations.

**Policy on payment of creditors**

Operating businesses within the Skanska Group are responsible for agreeing the terms and conditions under which business transactions with their suppliers are conducted. It is the Company's policy that payments to suppliers are made in accordance with these terms, provided that the supplier is also complying with all relevant terms and conditions.

**Environment**

The Company is required to pursue policies that comply with the relevant legislation and standards applicable to its particular industries.

**Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each 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 auditors are aware of that information.

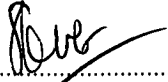
**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

**Report of the Directors  
For The Year Ended 31st December 2013**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**On behalf of the board:**



.....  
S Leven - Secretary

Date: 19 September 2014

**Statement of Directors' Responsibilities  
For The Year Ended 31st December 2013**

The directors are responsible for preparing the Report of the Directors 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 International Financial Reporting Standards as adopted by the European Union. 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;
- 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.

**Report of the Independent Auditors to the Members of  
Skanska Project Developments Limited**

We have audited the financial statements of Skanska Project Developments Limited for the year ended 31st December 2013 on pages six to thirteen. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 a Report of the Auditors 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 four, 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 financial statements is provided on the FRC's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

**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 31st December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 Report of the Directors 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 from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.



Andrew Marshall (Senior Statutory Auditor)  
for and on behalf of KPMG LLP  
Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

Date: 23 September 2014

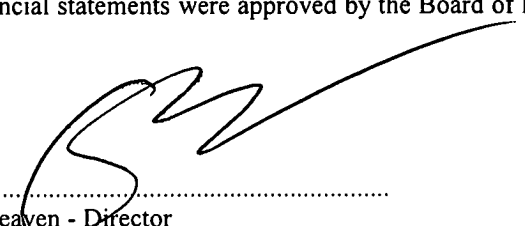
**Statement of Profit or Loss and Other Comprehensive Income  
For The Year Ended 31st December 2013**

	Notes	2013 £'000	2012 £'000
<b>Continuing operations</b>			
Revenue		-	-
Administrative expenses		<u>(1,371)</u>	<u>(2)</u>
<b>Operating loss</b>		(1,371)	(2)
Finance costs	3	<u>(169)</u>	<u>(83)</u>
<b>Loss before income tax</b>	4	(1,540)	(85)
Income tax	5	<u>358</u>	<u>20</u>
<b>Loss for the year</b>		(1,182)	(65)
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u>(1,182)</u>	<u>(65)</u>

**Statement of Financial Position**  
**31st December 2013**

	Notes	2013 £'000	2012 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	6	<u>5,117</u>	<u>5,117</u>
<b>Current assets</b>			
Trade and other receivables	7	139	14,019
Tax receivable		<u>378</u>	<u>20</u>
		<u>517</u>	<u>14,039</u>
<b>Total assets</b>		<u><u>5,634</u></u>	<u><u>19,156</u></u>
<b>Equity</b>			
<b>Shareholders' equity</b>			
Called up share capital	8	-	-
Retained earnings	9	<u>(1,247)</u>	<u>(65)</u>
<b>Total equity</b>		<u>(1,247)</u>	<u>(65)</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	5,578	16
Financial liabilities - borrowings			
Bank overdrafts	11	<u>1,303</u>	<u>19,205</u>
		<u>6,881</u>	<u>19,221</u>
<b>Total liabilities</b>		<u>6,881</u>	<u>19,221</u>
<b>Total equity and liabilities</b>		<u><u>5,634</u></u>	<u><u>19,156</u></u>

The financial statements were approved by the Board of Directors on 19 September 2014 and were signed on its behalf by:

  
.....  
C P Treleaven - Director

**Statement of Changes in Equity  
For The Year Ended 31st December 2013**

	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Changes in equity</b>		
Total comprehensive income	<u>(65)</u>	<u>(65)</u>
<b>Balance at 31st December 2012</b>	<u>(65)</u>	<u>(65)</u>
<b>Changes in equity</b>		
Total comprehensive income	<u>(1,182)</u>	<u>(1,182)</u>
<b>Balance at 31st December 2013</b>	<u><u>(1,247)</u></u>	<u><u>(1,247)</u></u>

**Statement of Cash Flows**  
**For The Year Ended 31st December 2013**

		<b>2013</b> <b>£'000</b>	<b>2012</b> <b>£'000</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	13	18,071	(14,005)
Interest paid		<u>(169)</u>	<u>(83)</u>
Net cash from operating activities		<u>17,902</u>	<u>(14,088)</u>
 <b>Cash flows from investing activities</b>			
Purchase of fixed asset investments		<u>-</u>	<u>(5,117)</u>
Net cash from investing activities		<u>-</u>	<u>(5,117)</u>
		<u>17,902</u>	<u>(19,205)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of year	14	<u>(19,205)</u>	<u>-</u>
Cash and cash equivalents at end of year	14	<u><u>(1,303)</u></u>	<u><u>(19,205)</u></u>

**Notes to the Financial Statements**  
**For The Year Ended 31st December 2013**

**1. Accounting policies**

**Basis of preparation**

The financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") and under the historical cost convention and include the results of activities described in the directors' report all of which are continuing.

The financial statements have been prepared on the going concern basis (notwithstanding net liabilities of (£1,247,000) which the directors believe to be appropriate for the following reasons. The company is dependent for its working capital on funds provided to it by Skanska UK Plc, the company's ultimate parent. Skanska UK Plc has indicated that for at least twelve months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

**Changes in accounting policies**

The company adopted the following interpretations and amendments to standards with effect from 1st January 2013:

IFRS 13 Fair Value Measurement

IAS 27 Investments in Associates and Joint Ventures

The adoption of these standards or interpretations did not have a material impact upon the financial statements.

The company did not adopt new or amended IFRSs or interpretations. The company does not expect new standards, amendments to standards and new interpretations that were published before the issuance of these financial statements to have a material effect on the Group's results.

**Financial instruments**

Financial assets and financial liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument. Trade receivables and other receivables do not carry any interest and are stated at their nominal value, reduced by appropriate allowances for estimated irrecoverable amounts. Overdrafts are stated at their nominal value. Interest is accounted for on an accruals basis. Trade payables on normal terms are not interest bearing and are stated at their nominal value.

**Taxation**

Deferred taxation is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recorded only to the extent that they are considered recoverable.

UK corporation tax is provided at amounts expected to be recovered using the tax rates and laws that have been enacted or substantially enacted by the statement of financial position date.

**Investment**

Shares in subsidiary undertakings are stated at amortised cost.

Other investments are stated at fair value. Profits and losses on the sale of investments and permanent diminutions in the market value of investments are taken to the income statement. Unrealised gains and losses are taken to the revaluation reserve.

**2. Employees and directors**

There were no staff costs for the year ended 31st December 2013 nor for the year ended 31st December 2012.

There were no employees in either year

Notes to the Financial Statements - continued  
For The Year Ended 31st December 2013

## 2. Employees and directors - continued

No directors' emoluments, fees or other costs were incurred by the Company during the current or preceding year. The directors' emoluments were incurred by fellow subsidiary companies of the ultimate parent company and no part of their remuneration can be specifically attributed to the Company. No director has any entitlement under long term incentive schemes or share options (2012: £nil)

## 3. Net finance costs

	2013 £'000	2012 £'000
Finance costs:		
Bank interest	<u>169</u>	<u>83</u>

## 4. Loss before income tax

Auditors' remuneration for the current and preceding year was paid for by a fellow group company, Skanska UK Plc.

## 5. Income tax

## Analysis of tax income

	2013 £'000	2012 £'000
Current tax:		
UK Corporation Tax current period	<u>(358)</u>	<u>(20)</u>
Total tax income in statement of comprehensive income	<u>(358)</u>	<u>(20)</u>

## 6. Investments

	Shares in group undertakings £'000
<b>Cost</b>	
At 1st January 2013 and 31st December 2013	<u>5,117</u>
<b>Net book value</b>	
At 31st December 2013	<u>5,117</u>
At 31st December 2012	<u>5,117</u>

The company's investments at the statement of financial position date in the share capital of companies include the following:

**SPDL (Monument) Limited**

Nature of business: property development

Class of shares:	% holding
£1 Ordinary	100.00

**66 Queen Square Limited**

Nature of business: property development

Class of shares:	% holding
£1 Ordinary	100.00

Notes to the Financial Statements - continued  
For The Year Ended 31st December 2013

## 6. Investments - continued

**SPD Bentley Limited**

Nature of business: property development

Class of shares:	%
£1 Ordinary	holding 100.00

## 7. Trade and other receivables

	2013 £'000	2012 £'000
Current:		
Amounts owed by fellow undertakings	136	14,019
Other debtors	<u>3</u>	<u>-</u>
	<u>139</u>	<u>14,019</u>

## 8. Called up share capital

**Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2013 £	2012 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

## 9. Reserves

	Retained earnings £'000
At 1st January 2013	(65)
Deficit for the year	<u>(1,182)</u>
At 31st December 2013	<u>(1,247)</u>

## 10. Trade and other payables

	2013 £'000	2012 £'000
Current:		
Trade creditors	41	-
Amounts owed to fellow group undertakings	5,530	-
Accruals and deferred income	<u>7</u>	<u>16</u>
	<u>5,578</u>	<u>16</u>

## 11. Financial liabilities - borrowings

	2013 £'000	2012 £'000
Current:		
Bank overdrafts	<u>1,303</u>	<u>19,205</u>

Notes to the Financial Statements - continued  
For The Year Ended 31st December 2013

11. Financial liabilities - borrowings - continued

Terms and debt repayment schedule

	1 year or less £'000
Bank overdrafts	<u>1,303</u>

12. Ultimate parent company

Skanska UK Plc heads the smallest group in which the results of the Company are consolidated.

The ultimate parent company is Skanska AB, a company incorporated in Sweden, which heads the largest group in which the results of the Company are consolidated.

Copies of the Skanska UK Plc and Skanska AB financial statements can be obtained from Skanska UK Plc at Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Herts. WD3 9SW.

13. Reconciliation of loss before income tax to cash generated from operations

	2013 £'000	2012 £'000
Loss before income tax	(1,540)	(85)
Finance costs	<u>169</u>	<u>83</u>
	(1,371)	(2)
Decrease/(increase) in trade and other receivables	13,880	(14,019)
Increase in trade and other payables	<u>5,562</u>	<u>16</u>
<b>Cash generated from operations</b>	<u><b>18,071</b></u>	<u><b>(14,005)</b></u>

14. Cash and cash equivalents

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31st December 2013

	31/12/13 £'000	1/1/13 £'000
Bank overdrafts	<u>(1,303)</u>	<u>(19,205)</u>

Year ended 31st December 2012

	31/12/12 £'000	1/1/12 £'000
Bank overdrafts	<u>(19,205)</u>	<u>-</u>