

WSP (US) FINANCE LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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WSP (US) FINANCE LIMITED

CONTENTS

	<u>PAGE</u>
OFFICERS AND ADVISERS	1
REPORT OF THE DIRECTORS	2-3
INDEPENDENT AUDITORS' REPORT	4
INCOME STATEMENT	5
STATEMENT OF COMPREHENSIVE INCOME	5
BALANCE SHEET	6
CASH FLOW STATEMENT	7
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY	7
NOTES TO THE FINANCIAL STATEMENTS	8-10

WSP (US) FINANCE LIMITED

OFFICERS AND ADVISERS

Directors

G Bisset
P Gill

Secretary

G Bisset

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
1 Embankment Place
London
WC2N 6RH

Registered Office

WSP House
70 Chancery Lane
London
WC2A 1AF

WSP (US) FINANCE LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their annual report together with the audited financial statements of the company for the year ended 31 December 2011

PRINCIPAL ACTIVITY AND BUSINESS REVIEW

The principal activity of the company is a finance company. The principal activities and business review of WSP Group plc, "the Group", which includes WSP (US) Finance Limited, are discussed in the Group's annual report which does not form part of this report.

RESULTS AND DIVIDEND

The results for the company show a pre-tax profit of \$1,615,000 for the year (period ended 31 December 2010 \$1,646,000)

Dividends charged to equity in the year are \$1,160,000 (2010 \$nil), representing \$580,000 (2010 \$nil) per ordinary share

FUTURE OUTLOOK

No major changes in the activity of the company are envisaged in the future. The directors remain confident that the company will maintain its current level of performance in the future.

DIRECTORS

The directors of the company at the date of this report are set out below. The directors served during the whole period and until the date of signing the financial statements.

G Bisset
P Gill

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to changes in economic conditions and interest rate risk. Further discussion of these risks and uncertainties, in the context of the group as a whole, is provided in the business review of the group's annual report which does not form part of this report.

FINANCIAL RISK MANAGEMENT

The company's operations expose it to insignificant levels of financial risk. The company had no swaps, derivatives or designated hedging instruments as at 31 December 2011.

FOREIGN CURRENCY RISK

The company operates and transacts in United States Dollars which is also the functional reporting currency of the company. The intention is to only transact in United States Dollars which limits the company's exposure to foreign currency risk.

LIQUIDITY AND INTEREST RATE RISK

The company derives income from debts owed to it by fellow group companies. Exposure to floating interest rates is monitored at a Group level and is determined by the company in accordance with Group Treasury policies. Full details of how the Group minimises interest rate risk is discussed in the business review of the Group's annual report.

STATEMENT OF 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 period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) 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,
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

WSP (US) FINANCE LIMITED

REPORT OF THE DIRECTORS (continued)

AUDITORS AND DISCLOSURE OF INFORMATION TO AUDITORS

In the case of each director in office at the date the Directors' Report is approved, and in accordance with Section 418 of the Companies Act 2006

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- he 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

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office

BY ORDER OF THE BOARD



P Gill
Director

14 May 2012

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WSP (US) FINANCE LIMITED

We have audited the financial statements of WSP (US) Finance Limited for the year ended 31 December 2011 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Shareholders' Equity, the Cash Flow Statement and the related notes. 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.

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 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 directors' 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 2011 and of its profit and cash flows for the period 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 Directors' Report for the financial period 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.



Bowker Andrews BSc FCA (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

15 May 2012

WSP (US) FINANCE LIMITED**INCOME STATEMENT**
FOR THE YEAR ENDED 31 DECEMBER 2011

		<u>Year ended</u> <u>31 December</u> <u>2011</u> <u>\$'000</u>	<u>28 August 2009 to</u> <u>31 December</u> <u>2010</u> <u>\$'000</u>
	Note		
Finance income		1,615	1,646
Profit before taxation		1,615	1,646
Taxation	2	(428)	(461)
Profit for the financial period		1,187	1,185

The above results all relate to continuing activities

The notes on pages 8 to 10 form part of these financial statements

STATEMENT OF COMPREHENSIVE INCOME**FOR THE YEAR ENDED 31 DECEMBER 2011**

	<u>Year ended</u> <u>31 December</u> <u>2011</u> <u>\$'000</u>	<u>28 August 2009 to</u> <u>31 December</u> <u>2010</u> <u>\$'000</u>
Profit for the financial period	1,187	1,185
Total comprehensive income for the period	1,187	1,185
Attributable to:		
Equity shareholders	1,187	1,185
Total comprehensive income for the period	1,187	1,185

WSP (US) FINANCE LIMITED**BALANCE SHEET**
AS AT 31 DECEMBER 2011

	Note	<u>2011</u> <u>\$'000</u>	<u>2011</u> <u>\$'000</u>	<u>2010</u> <u>\$'000</u>	<u>2010</u> <u>\$'000</u>
CURRENT ASSETS					
Trade and other receivables	4	<u>33,928</u>		<u>33,946</u>	
		33,928		33,946	
CURRENT LIABILITIES					
Corporation tax liability		<u>(416)</u>		<u>(461)</u>	
		(416)		(461)	
NET CURRENT ASSETS			<u>33,512</u>		<u>33,485</u>
NET ASSETS			<u>33,512</u>		<u>33,485</u>
CAPITAL AND RESERVES					
Called up share capital	5		32,300		32,300
Retained earnings			1,212		1,185
SHAREHOLDERS' FUNDS			<u>33,512</u>		<u>33,485</u>

The financial statements set out on pages 5 to 10 were approved by the board of directors and were signed on its behalf by



P Gill
Director

14 May 2012

Company Number 7004340

WSP (US) FINANCE LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2011**

		Year ended 31 December 2011 \$'000	28 August 2009 to 31 December 2010 \$'000
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash inflow generated from operations	6	1,633	-
Taxation paid		(473)	-
Net cash inflow from operating activities		1,160	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(1,160)	-
Net cash outflow from financing activities		(1,160)	-
Net increase in cash and cash equivalents		-	-
Cash and cash equivalents at 31 December		-	-

**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Share capital \$'000	Retained earnings \$'000	Total shareholders' funds \$'000	Total equity \$'000
At 28 August 2009	-	-	-	-
Issue of shares	32,300	-	32,300	32,300
Comprehensive income				
Profit for the period	-	1,185	1,185	1,185
Total comprehensive income	-	1,185	1,185	1,185
At 31 December 2010	32,300	1,185	33,485	33,485
Comprehensive income				
Profit for the period	-	1,187	1,187	1,187
Total comprehensive income	-	1,187	1,187	1,187
Transactions with owners				
Dividends	-	(1,160)	(1,160)	(1,160)
Total transactions with owners	-	(1,160)	(1,160)	(1,160)
At 31 December 2011	32,300	1,212	33,512	33,512

WSP (US) FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2011**

1 ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS as adopted by the EU"), IFRIC interpretations and the Companies Act 2006 applicable to companies

The company is a limited company which is incorporated and domiciled in the UK

The principal accounting policies, which have been consistently applied, are set out below

There are no new IFRSs or IFRIC interpretations that are effective for the first time for the financial year that would be expected to have a material impact on the company

At the date of authorisation of these financial statements, the following standards and amendments were in issue but not effective

IFRS 9	Financial instruments
IFRS 12	Disclosures of interests in other entities
IFRS 13	Fair value measurement
IAS 27	Separate financial statements (revised)

The company intends to adopt the new standards and amendments no later than their applicable date, being in each case no later than the accounting period beginning on 1 January 2013, subject to endorsement by the EU. The company has yet to assess the full impact of adopting these new standards and amendments

The financial statements have been prepared on the historic cost basis and on a going concern basis. The company's functional currency is United States Dollars and the accounts are prepared in this currency accordingly

Finance income

Interest income comprises income from loans made to subsidiary companies, which are recognised on an accruals basis

Dividends

Dividends to the shareholders of the company are recognised in the period that they are approved by the shareholders

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and those deposits held with banks having a maturity date of less than three months from the date the deposit was made and being available on demand within one working day without significant penalty. For the purposes of the cash flow statement cash and cash equivalents are net of bank overdrafts, which are also carried in the balance sheet at cost

WSP (US) FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011****1 ACCOUNTING POLICIES (Continued)****Sources of estimation uncertainty and significant judgements**

The preparation of the financial statements requires the company to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. The directors base their estimates on historical experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

2. TAXATION**Analysis of charge in the period**

UK corporation tax on profits at 26.5% (2010: 28%)

Current taxation

<u>Year ended</u> <u>31 December</u>	<u>28 August 2009 to</u> <u>31 December</u>
<u>2011</u>	<u>2010</u>
<u>\$'000</u>	<u>\$'000</u>
428	461
<u>428</u>	<u>461</u>

Factors affecting the tax charge for the current period

The tax charge for the period is the same as the standard rate of corporation tax in the UK of 26.5% (2010: 28%)

	<u>Year ended</u> <u>31 December</u>	<u>28 August 2009 to</u> <u>31 December</u>
	<u>2011</u>	<u>2010</u>
	<u>\$'000</u>	<u>\$'000</u>
Profit before taxation	1,615	1,646
Profit before taxation multiplied by the standard rate of taxation in the UK of 26.5% (2010: 28%)	428	461
Taxation	<u>428</u>	<u>461</u>

3 DIVIDENDS

Dividends charged to equity in the year are \$1,610,000 (2010: \$nil) representing \$580,000 (2010: \$nil) per ordinary share

WSP (US) FINANCE LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011****4 TRADE AND OTHER RECEIVABLES**

	<u>2011</u> <u>\$'000</u>	<u>2010</u> <u>\$'000</u>
Amounts owed by group undertakings	33,928	33,946
	<u>33,928</u>	<u>33,946</u>

Interest on loans between companies within the Group was charged at market rates. The loans were unsecured and are repayable on demand. Interest was not charged on trading balances between companies within the Group. Non-trading balances between companies in the Group that are not classified as loans are interest free.

5 CALLED UP SHARE CAPITAL

	<u>2011</u> <u>\$'000</u>	<u>2010</u> <u>\$'000</u>
Authorised 200,000,000 shares of \$1 each	200,000	200,000
Allotted, called up and fully paid 2 Ordinary shares of \$1 32,300,000 Redeemable Ordinary shares of \$1	32,300	32,300

6 RELATED PARTY TRANSACTIONS

At the balance sheet date the company owed its parent company, WSP Group plc \$nil (2010 \$nil) and was due \$1,628,000 (2010 \$1,646,000).

At the balance sheet date the company owed \$nil (2010 \$nil) to members of the WSP Group and was due \$32,300,000 (2010 \$32,300,000) from members of the WSP Group.

The directors and key management do not receive any remuneration for services to this company. There are no other employees. The audit fee of the company was borne by another WSP Group company.

7 CASH FLOWS FROM OPERATING ACTIVITIES

	<u>Year ended</u> <u>31 December</u> <u>2011</u> <u>\$'000</u>	<u>28 August 2009 to</u> <u>31 December</u> <u>2010</u> <u>\$'000</u>
Profit for the financial year	1,187	1,185
Taxation	428	461
Decrease/(increase) in trade and other receivables	18	(1,646)
Cash generated from operations	<u>1,633</u>	<u>-</u>

8 ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

The immediate and ultimate parent undertaking and controlling party of WSP (US) Finance Limited is WSP Group plc, incorporated in England. WSP Group plc is the only group for which group financial statements including WSP (US) Finance Limited are drawn up. The consolidated accounts of WSP Group plc are available to the public and may be obtained from WSP Group plc, WSP House, 70 Chancery Lane, London WC2A 1AF.