

West Lothian SPV Limited

Company Number: SC193621

**Directors' Report and Financial Statements
for the year ended 31 December 2011**

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COMPANIES HOUSE

West Lothian SPV Limited

Directors and advisors

Directors

R J Fielder

K Meade

Company Secretary

S McAteer

Independent Auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

141 Bothwell Street

Glasgow

G2 7EQ

Bankers

Bank of Scotland

54/62 Sauchiehall Street

Glasgow, G2 3AH

Principal Solicitors

McClure Naismith

3 Ponton Street

Edinburgh, EH3 9QQ

Registered Office

Kelvin House

Buchanan Gate Business Park

Stepps

Glasgow, G33 6FB

Registered in Scotland

Number SC193621

Directors' report for the year ended 31 December 2011

The directors present their report and audited financial statements for the year ended 31 December 2011 for West Lothian SPV Limited, company number SC193621.

Results and dividends

The profit of the company for the financial year is set out in the profit and loss account on page 7.

The directors do not recommend the payment of a dividend in respect of the year (2010: £nil).

Principal activities and future developments

The company had been established for the single purpose of providing, under a Private Finance Initiative (PFI) agreement, the construction and maintenance of West Lothian College. However, following detailed negotiations between West Lothian College and West Lothian SPV Limited, both parties came to an agreement to end the current arrangement between them whereby the College reverted to ownership by the Board of Governors. The net cash surplus has been placed on deposit with a fellow group company at commercial rates.

Business review

The results produced by the Company during 2011 are in line with expectations and reflect judgements and estimates that are reasonable and prudent.

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for the understanding of the development, performance or position of the business.

Looking forward to 2012 it is anticipated that the performance of the company will continue in line with the current year, and there are not expected to be any changes to the current business activities.

Principal risks and uncertainties

The principal risks and uncertainties are noted below:

Financial risk management

The company's operations expose it to a variety of financial risks that include interest rate risk, price risk and liquidity risk.

Interest rate cash flow risk

The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company.

The risk management programme is set by the ultimate parent undertaking and implemented by the finance department. The department has a policy and procedures manual that sets out specific guidelines to manage interest rate risk.

Price risk

The company has no exposure to services price risk as it is no longer operational. The company has no exposure to equities securities price risk as it holds no listed or other equity investments.

West Lothian SPV Limited

Directors' report for the year ended 31 December 2011

Liquidity risk

The company manages its liquidity risk by ensuring it has sufficient borrowing facilities to meet its short and long term financial commitments.

Directors

The following served as directors throughout the year:

H Duncan (resigned 1 March 2012)
K Meade (appointed 1 March 2012)
R J Fielder

S McAteer served as company secretary throughout the year.

Indemnity of officers

Under Article 29 of the Company's Articles of Association and subject to the provisions of the Companies Act 2006, the Company may indemnify any Director or other officer against any liability incurred by him in the execution or discharge of his duties or the exercise of his powers and including but not limited to any liability for the costs of legal proceedings where judgement is given in their favour.

In addition, there is Directors and Officers liability insurance in place for Directors and/or Officers of the Company.

Directors' responsibilities statement

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 year.

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 United Kingdom Accounting Standards have been followed, subject to any material departures 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.

West Lothian SPV Limited

Directors' report for the year ended 31 December 2011

Disclosure of information to auditors

Each of the persons who is a Director at the date of approval of this report confirms that:

1. So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
2. The director has taken all reasonable 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.

This confirmation is given and should be interpreted in accordance with the provisions of sections 418 (1) to (4) of the Companies Act 2006.

Independent auditors

The company has passed an Elective Resolution pursuant to section 386 of the Companies Act 1985 to dispense with the annual reappointment of auditors. As this Elective Resolution was in force before 1 October 2007 and has not been revoked or ceased to have effect, PricewaterhouseCoopers LLP will continue in office as auditors of the Company pursuant to section 487 (2) of the Companies Act 2006 as amended by the Companies Act 2006 (Commencement No. 3 Consequential Amendments, Transitional Provisions and Savings) Order 2007 SI2007/2194.

By order of the Board



S McAteer
Company Secretary
22 March 2012

West Lothian SPV Limited

Independent Auditors' Report to the members of West Lothian SPV Limited

We have audited the financial statements of West Lothian SPV Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4 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 (United Kingdom 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 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 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.

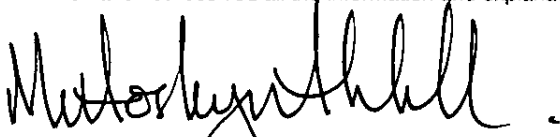
Opinion on other matter prescribed by the Companies Act 2006

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.



Mark Hoskyns-Abrattall (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Glasgow

West Lothian SPV Limited

Profit and loss account

Amounts in thousands of pounds

For the year ended 31 December 2011

	Note	2011	2010
Administrative expenses		<u>(10)</u>	<u>(6)</u>
Operating profit	3	(10)	(6)
Interest receivable	5	<u>89</u>	<u>76</u>
Profit on ordinary activities before taxation		79	70
Tax on profit on ordinary activities	6	<u>(21)</u>	<u>(20)</u>
Profit for the financial year		<u>58</u>	<u>50</u>

All items in the profit and loss account relating to continuing operations.

There are no material differences between the profit (2010: profit) on ordinary activities before taxation and the profit (2010: profit) for the years stated above and their historical cost equivalents.

Statement of total recognised gains and losses

For the year ended 31 December 2011

For the years ended 31 December 2011 and 2010 the company has no recognised gains or losses other than its profit attributable to shareholders of £58 thousand [2010: £50 thousand].

West Lothian SPV Limited

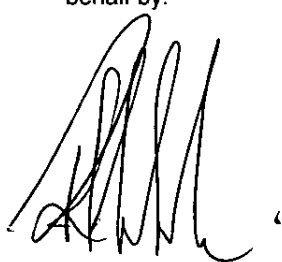
Balance sheet

Amounts in thousands of pounds

As at 31 December 2011

	Note	2011	2010
Current assets			
Debtors			
Amounts falling due after more than one year	7	13,750	13,750
Amounts falling due within one year	8	<u>368</u>	<u>600</u>
		14,118	14,350
Cash at bank and in hand		<u>319</u>	<u>30</u>
		14,437	14,380
Creditors: amounts falling due within one year	9	(25)	(26)
Net assets		<u>14,412</u>	<u>14,354</u>
Financed by			
Capital and reserves			
Called up share capital	10	1,095	1,095
Profit and loss account	11	<u>13,317</u>	<u>13,259</u>
Total Shareholders' funds	11	<u>14,412</u>	<u>14,354</u>

The financial statements on pages 7 to 11 were approved by the Board of Directors on 22 March 2012 and signed on its behalf by:



R Fielder
Director
22 March 2012

Notes to the financial statements for the year ended 31 December 2011

1 Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention, in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. A summary of the principal accounting policies, which have been applied consistently, is set out below.

The company is a wholly owned subsidiary of its immediate parent company, West Lothian SPV Holdings Limited and is included in the consolidated financial statements of its ultimate parent company, Royal BAM Group nv, which are publicly available. Consequently, the company is exempt under the terms of Financial Reporting Standard 8 "Related Party Transactions" from disclosing related party transactions with entities wholly owned by the Royal BAM Group nv group.

Cash flow statement

The company is a wholly owned subsidiary of Royal BAM Group nv, a company incorporated in The Netherlands, and the cash flows of the company are included in the consolidated group cash flow statement of Royal BAM Group nv. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard 1 [revised 1996] "Cash Flow Statements".

Taxation

Current tax, including United Kingdom corporation tax and deferred tax, is provided at 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 taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date if transactions have occurred that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. A net deferred tax asset is regarded as recoverable and therefore, recognised, only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted. Deferred tax assets and liabilities recognised have not been discounted.

Cash and cash equivalents

Cash includes money held and money deposited with financial institutions that can be withdrawn without notice. Cash equivalents are defined as short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

West Lothian SPV Limited

Notes to the financial statements for the year ended 31 December 2011

Amounts in thousands of pounds

2 Turnover

The company's turnover and operating profit relate entirely to its principal activity and arise solely in the United Kingdom.

3 Operating profit

The operating profit is stated after charging:

Auditors' remuneration - audit

2011	2010
<u>7</u>	<u>10</u>

4 Directors and staff

The company did not employ any personnel during the year (2010: none).

No remuneration was paid to any director during the year (2010: £nil).

5 Interest

Interest receivable:

Interest from group company

2011	2010
<u>89</u>	<u>76</u>
<u>89</u>	<u>76</u>

6 Tax on profit on ordinary activities

a) *Tax on profit on ordinary activities*

United Kingdom Corporation tax - current year
Tax on profit on ordinary activities

2011	2010
<u>(21)</u>	<u>(20)</u>
<u>(21)</u>	<u>(20)</u>

b) *Factors affecting current tax charge*

The tax assessed for the year is the same (2010: same) as the standard rate of corporation tax in the United Kingdom.

	2011	2010
Profit on ordinary activities before taxation	<u>79</u>	<u>70</u>
United Kingdom Corporation tax for 3 months to 31 March 2011 at 28 per cent (2010: 28 per cent)	<u>(6)</u>	<u>(5)</u>
United Kingdom Corporation tax for 9 months to 31 December 2011 at 26 per cent (2010: 28 per cent)	<u>(15)</u>	<u>(15)</u>
	<u>(21)</u>	<u>(20)</u>

7 Debtors - amounts falling due after more than one year

Amounts due from parent and fellow group companies

2011	2010
<u>13,750</u>	<u>13,750</u>
<u>13,750</u>	<u>13,750</u>

This represents an unsecured loan provided to BAM PPP Concessies by that is interest bearing. The interest is calculated using LIBOR. There has been no date set for the repayment of this loan however it has been provided on a long term basis.

West Lothian SPV Limited

Notes to the financial statements for the year ended 31 December 2011

Amounts in thousands of pounds

8 Debtors - amounts falling due within one year

	2011	2010
Amounts due from parent and fellow subsidiary undertakings	<u>368</u>	<u>600</u>
	<u>368</u>	<u>600</u>

This represents interest due on an unsecured loan provided to BAM PPP Concessies bv calculated using LIBOR.

9 Creditors - amounts falling due within one year

	2011	2010
Accruals and deferred income	4	6
Corporation Tax	<u>21</u>	<u>20</u>
	<u>25</u>	<u>26</u>

10 Called up share capital

	2011	2010
Authorised: 1,100,089, ordinary shares of £1 each	<u>1,100</u>	<u>1,100</u>
Allotted, called up and fully paid: 1,095,154 ordinary shares of £1 each	<u>1,095</u>	<u>1,095</u>

11 Reconciliation of total shareholders' funds and movements on reserves

	Share capital	Profit and loss account	2011 Total shareholders' funds	2010 Total shareholders' funds
Profit for the year	-	58	58	50
Increase in shareholders' funds	-	58	58	50
Opening shareholders' funds	1,095	13,259	14,354	14,304
Closing shareholders' funds	1,095	13,317	14,412	14,354

12 Related party transactions

The company has taken advantage of the exemptions of Financial Reporting Standard 8 not to disclose details of transactions between wholly owned undertakings of the Royal BAM Group nv which prepares consolidated financial statements.

13 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is Royal BAM Group nv, a company incorporated in The Netherlands. The group financial statements of the ultimate parent undertaking (the largest group of which the company is a member and for which group financial statements are prepared) are available from the company's registered office at Runnenburg 9, 3981 AZ Bunnik, Postbus 20, 3980 CA Bunnik, The Netherlands.

The immediate parent undertaking is West Lothian SPV Holdings Limited, a company incorporated in the United Kingdom. The smallest group of which the company is a member where consolidated financial accounts are prepared is BAM PPP Concessies bv, a company incorporated in The Netherlands. The financial statements for BAM PPP Concessies bv are available from the company's registered office at Runnenburg 9, 3981 AZ Bunnik, Postbus 20, 3980 CA Bunnik, The Netherlands.