

AMENDED
ARUP CORPORATE FINANCE LIMITED
FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 MARCH 2018

These financial statements and reports replace the original statements for the financial year 31 March 2018. They are now the statutory accounts of Arup Corporate Finance Limited for the year ended 31 March 2018. They have been prepared as at the date of the original statutory accounts and not at the date of revision. Accordingly these financial statements do not deal with events between those dates. The revision includes a Strategic report, the original statements were incorrectly prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to the Small Companies Regime. However, the incorrect application had no impact on the financial results, net assets or disclosure except updates to the directors' report and the inclusion of a strategic report.



ARUP CORPORATE FINANCE LIMITED
FINANCIAL STATEMENTS AND REPORTS
FOR THE YEAR ENDED 31 MARCH 2018

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ARUP CORPORATE FINANCE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their strategic report for Arup Corporate Finance Limited (the "Company") for the year ended 31 March 2018 which was approved by the board of directors.

No employees are directly employed by the Company.

Review of the business

These are the results for the Company for the financial year ended 31 March 2018. The results show a profit for the financial year of £44,437 (2017: £13,308).

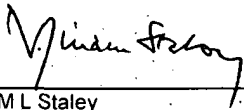
The net assets as at 31 March 2018 are £107,745 (2017: £113,308).

The performance developments of the Company are in line with the expectations of the directors.

The Company is part of the wider Arup Group of Companies (the "Group") and is managed as such. The principal area of risk and operating uncertainty for the Group is its ability to continue to secure new projects and deliver the performance of existing projects in line with management's objectives. To monitor these, the directors use the following key performance indicators ("KPIs") which are monitored at the Group level:

- Revenue and profit per person are financial KPIs used to monitor the continued contribution to the Group. In calculating profit per person, profit is stated before income tax, dividends and staff profit-sharing.
- Staff turnover is a key non-financial measure of business performance.

On behalf of the Board



M L Staley
Director

9 December 2021

Registered Office: 8 Fitzroy Street, London, W1T 4BJ, UK

ARUP CORPORATE FINANCE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report together with the audited financial statements of Arup Corporate Finance Limited (the "Company") for the year ended 31 March 2018 which were approved by the board of directors.

The capital of Arup Group Limited is divided into equity shares, which are held in trust for the benefit of the employees (past and present) of the Arup Group of Companies (the "Group") and voting shares that are held by Ove Arup Partnership Charitable Trust.

Principal activities

The Company practices in the field of transaction advice services (covered by the Financial Service and Markets Act 2000) and consulting engineering services, principally in the United Kingdom and Asia.

Future developments

The performance developments of the Company are in line with the expectations of the directors.

Dividends

The directors recommend a dividend payment of £40,000 for the year ended 31 March 2018 (2017: nil). An interim dividend of £50,000 was paid in the year ended 31 March 2018 and is reflected in these financial statements (2017: £122,420).

Directors

The directors of the Company during the year and up to the date of signing these financial statements were as follows:

A J Belfield (Resigned 12 November 2019)
C B Forrest (Appointed 13 March 2020)
G N Hunt (Appointed 23 May 2017)
S A Lloyd
M L Staley (Appointed 8 November 2019)

Directors' remuneration

Directors' salaries are borne by other group subsidiaries and no recharges are made to the Company. The directors are directors of this Company and a number of fellow Group companies and it is not possible to make an accurate apportionment of emoluments in respect of each of these companies.

Directors' indemnities

As permitted by the Company's Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' Liability Insurance in respect of itself, its directors and officers.

Independent auditors

The Company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office for another financial year.

Financial risk management

The Company's financial assets and liabilities comprise trade and other receivables and trade and other payables, whose main purpose is to maintain adequate finance for the Company's operations.

The Company is exposed to a number of financial risks and actively mitigates the risk of financial loss. The key aspects are:

- Foreign exchange risk: where possible the Company matches its currency earnings with currency costs. Where this is not possible, appropriate derivative contracts may be used. There is no speculative use of financial instruments;
- Credit risk: the main exposure to credit risk is on amounts due from customers. Controls and procedures are in place to mitigate this risk.

Note 1 in the notes to the financial statements provides further information on accounting for exchange rate differences.

ARUP CORPORATE FINANCE LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

Employees

No employees are directly employed by the Company. Salary costs are recharged from the Group and presented within "charges from sub-consultants and other direct project expenses" in the income statement.

The maintenance of a highly skilled workforce is key to the future of the Group. Health and Safety matters are regularly reviewed by the directors and it is their policy to ensure that:

- full and fair consideration is given to all applications for employment made by disabled persons, having regard to their capabilities;
- when existing employees become disabled (whether from illness or accident) every reasonable effort is made to continue to provide suitable employment either in the same, or by training, in an alternative job; and
- disabled persons are given equal consideration for training, career development and opportunities for promotion within the Group.

The Group is active in the field of employee communications and employees are encouraged to express their views on major policy issues. 'Working at Arup' surveys are conducted to obtain feedback from employees. This survey is confidential and is used alongside consultation with employees where appropriate.

Twice a year, employees are provided with a performance report containing financial information. Employees are informed of significant business issues via the use of email, discussions with senior management, the Group's intranet and in-house publications.

Employee involvement in the Group's performance is encouraged and maintained via participation in a staff profit-sharing scheme.

Statement of directors' responsibilities

The directors are responsible for preparing the Financial Statements and Reports 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

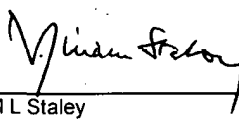
- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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. The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

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

On behalf of the Board


 M L Staley
 Director

9 December 2021

Registered Office: 8 Fitzroy Street, London, W1T 4BJ, UK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
ARUP CORPORATE FINANCE LIMITED
FOR THE YEAR ENDED 31 MARCH 2018

Report on the strategic report and revised directors' report

Opinion

In our opinion, based on the work undertaken in the course of the audit, the information given in the strategic report and revised directors' report (the "revised reports") for the year ended 31 March 2018 is consistent with the financial statements for that year and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the revised reports.

We have considered the information given in the revised reports for the year ended 31 March 2018. The revised directors' report replaces the original directors' report approved on 9 July 2018. The original directors' report explained that the directors had taken an exemption from preparing a strategic report and having subsequently established that they were not entitled to this exemption, the directors have now prepared a strategic report for the year ended 31 March 2018. Accordingly, the strategic report is considered to be the revised strategic report. The financial statements of the company for the year ended 31 March 2018 have not been revised. The revised reports have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original directors' report was approved.

Basis for opinion

Our opinion is directed solely towards consistency of the revised reports with the financial statements, and consideration of potential misstatements and applicable legal requirements, based on work undertaken in the course of the audit. We have not considered events which may have occurred since the issue of our previous auditors' report on 9 July 2018 to the date of this report.

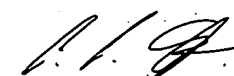
Responsibilities for the revised reports and the audit

Responsibilities of directors for the revised reports

The directors are responsible for the preparation of the revised reports in accordance with the Companies Act 2006 as it has effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

Auditors' responsibilities in respect of the revised reports

Our responsibility arising from the Companies (Revision of Defective Accounts and Reports) Regulations 2008 is to report to you those matters required by section 496 of Companies Act 2006 in relation to the revised reports.



Craig Skelton (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London
 9 December 2021

ARUP CORPORATE FINANCE LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

	<u>Note</u>	<u>2018</u> £	<u>2017</u> £
Revenue	3	268,789	139,456
Charges from sub-consultants and other direct project expenses		(188,626)	(118,142)
Communications and other overheads		<u>(25,302)</u>	<u>(8,006)</u>
Operating profit	5	54,861	13,308
Profit before income tax		54,861	13,308
Income tax expense	6	<u>(10,424)</u>	<u>-</u>
Profit for the financial year		<u>44,437</u>	<u>13,308</u>

All activities of the Company are derived from continuing operations in both the current and prior years.

No separate statement of comprehensive income has been presented as all such gains and losses have been dealt with in the income statement above.

The notes on pages 8 to 14 are an integral part of these financial statements.

Registration number: 2338083

ARUP CORPORATE FINANCE LIMITED

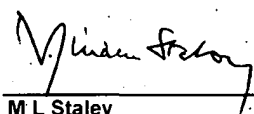
BALANCE SHEET

AS AT 31 MARCH 2018

	<u>Note</u>	31 March 2018 £	31 March 2017 £
Assets			
Current assets			
Trade and other receivables	7	137,696	612,537
Total assets		<u>137,696</u>	<u>612,537</u>
Liabilities			
Current liabilities			
Trade and other payables	8	19,527	499,229
Current income tax liabilities		10,424	
Total liabilities		<u>29,951</u>	<u>499,229</u>
Net assets		<u>107,745</u>	<u>113,308</u>
Equity			
Share capital	9	50,000	50,000
Retained earnings		57,745	63,308
Total equity		<u>107,745</u>	<u>113,308</u>

The notes on pages 8 to 14 are an integral part of these financial statements.

The financial statements on pages 5 to 14 were approved and authorised for issue by the board of directors and signed on its behalf by:



M L Staley

Director

9 December 2021

ARUP CORPORATE FINANCE LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	<u>Share capital</u> £	<u>Retained earnings</u> £	<u>Total equity</u> £
Balance as at 1 April 2016	50,000	172,420	222,420
Profit for the financial year	-	13,308	13,308
Total comprehensive income for the year	<u>-</u>	<u>13,308</u>	<u>13,308</u>
Dividends	-	(122,420)	(122,420)
Total transactions with owners, recognised directly in equity	<u>-</u>	<u>(122,420)</u>	<u>(122,420)</u>
Balance as at 31 March 2017	<u>50,000</u>	<u>63,308</u>	<u>113,308</u>
Profit for the financial year	-	44,437	44,437
Total comprehensive income for the year	<u>-</u>	<u>44,437</u>	<u>44,437</u>
Dividends	-	(50,000)	(50,000)
Total transactions with owners, recognised directly in equity	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Balance as at 31 March 2018	<u>50,000</u>	<u>57,745</u>	<u>107,745</u>

ARUP CORPORATE FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1 BASIS OF PREPARATION

Arup Corporate Finance Limited is a private limited company which is incorporated in England and Wales and domiciled in the United Kingdom. The address of the registered office is 8 Fitzroy Street, London, W1T 4BJ, UK (previously 13 Fitzroy Street, London, W1T 4BQ, UK).

Accounting policies that relate to the financial statements as a whole are set out below, while those that relate to specific areas of the financial statements are shown in the corresponding note. All accounting policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with FRS 101. The financial statements have been prepared in accordance with the Companies Act 2006 and under the historical cost convention except for financial assets and liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the preparation of the financial statements are disclosed in note 2.

The following exemptions from the requirements of International Financial Reporting Standards ("IFRS or IFRSs") have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3, 'Business Combinations';
- Paragraph 33(c) of IFRS 5, 'Non-current Assets Held for Sale and Discontinued Operations';
- IFRS 7, 'Financial Instruments: Disclosures';
- Paragraphs 91 to 99 of IFRS 13, 'Fair Value Measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities);
- Paragraph 38 of IAS 1, 'Presentation of Financial Statements' comparative information requirements in respect of:
 - 79(a)(iv) of IAS 1, 'Presentation of Financial Statements' (reconciliation of the number of shares outstanding at the beginning and end of the period);
 - 73(e) of IAS 16, 'Property, Plant and Equipment' (reconciliation of the carrying amount at the beginning and end of the period);
 - 118(e) of IAS 38, 'Intangible Assets'; (reconciliation of the carrying amount at the beginning and end of the period); and
 - 76 and 79(d) of IAS 40, 'Investment Property' (reconciliation of the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1:
 - 10(d) (statement of cash flows);
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with IFRS);
 - 38A (requirement for minimum of two primary statements including cash flow statements);
 - 38B-D (additional comparative information);
 - 40A-D (requirements for a third statement of financial position);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- IAS 24 (disclosure of related parties entered into between two or more members of a group providing that the parties are wholly owned by the group).

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and therefore continue to adopt the going concern basis in preparing the financial statements.

ARUP CORPORATE FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

1 BASIS OF PREPARATION (continued)

Changes in accounting policy and disclosures

New standards, amendments and interpretations

No new standards, amendments or interpretations, effective for the first time for financial years beginning on or after 1 April 2017 have had a material impact on the Company.

New standards and interpretations not yet adopted by the Company

The following new accounting standards and interpretations have been published that are not mandatory for the year ended 31 March 2018 and have not been early adopted by the Company:

- IFRS 9, 'Financial Instruments' is a new standard which enhances the ability of investors and other users of financial information to understand the accounting for financial assets and reduces complexity. The standard uses a single approach to determine whether a financial asset is measured at amortised cost or fair value, replacing the various rules in IAS 39. This standard is effective for accounting periods commencing on or after 1 January 2018.

- IFRS 15, 'Revenue from Contracts with Customers' is a new standard based on a five-step model framework, which replaces all existing revenue recognition standards. The standard requires revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration the entity expects to be entitled in exchange for those goods or services. This standard is effective for accounting periods commencing on or after 1 January 2018.

- IFRS 16, 'Leases' is a new standard which sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract. The standard eliminates the classification of leases as either operating leases or finance leases as required by IAS 17, and instead, introduces a single lessee accounting model. A lessee will be required to recognise assets and liabilities for all leases with a term of more than 12 months and depreciate lease assets separately from interest on lease liabilities in the income statement. This standard is effective for accounting periods commencing on or after 1 January 2019.

The Company is currently assessing the impact of the new standards, amendments and interpretations that are not yet effective. Based on the assessments undertaken to date:

- IFRS 15: The Company expects revenue to be recognised earlier than currently. The Company is still assessing the full impact of this new standard.

Foreign currency translation

Functional and presentation currency

The Company's functional currency is pound sterling (£). The financial statements are presented in pound sterling, which is the Company's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there is objective evidence that an asset or group of assets is impaired. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and value in use.

Financial assets

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss; loans and receivables; and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

ARUP CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2018

1 BASIS OF PREPARATION (continued)**Financial assets (continued)*****Classification (continued)******Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except where the maturity is greater than 12 months after the balance sheet date, in which case they are included as non-current assets. The Company's loans and receivables comprise 'trade and other receivables' in the balance sheet.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date (the date on which the Company commits to purchase or sell the asset). Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Company has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Impairment of financial assets***Assets carried at amortised cost***

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include: indications that the receivable or a group of receivables is experiencing significant financial difficulty, default or delinquency in payments; the probability that they will enter bankruptcy or other financial reorganisation; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

ARUP CORPORATE FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2018

1 BASIS OF PREPARATION (continued)**Impairment of financial assets (continued)****Assets carried at amortised cost (continued)**

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

Assets classified as available-for-sale

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss) is removed from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the income statement.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Contract accounting

The Company's revenue accounting policy is central to how the Company values the work it has carried out in each financial year. This policy requires forecasts to be made on the current percentage complete and the projected outcomes of projects. These forecasts require assessments and judgements to be made on changes in, for example, percentage completion, work scope and costs to completion. While the assumptions made are based on professional judgements, subsequent events may mean that estimates calculated prove to be inaccurate, with a consequent effect on the reported result.

Income taxes

The Company is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Company provides for potential liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based on management's assessment of exposures.

3 REVENUE

The Company practices in the field of transaction advice services and consulting engineering services.

Revenue represents the value of work performed on contracts in the year.

For contracts on which revenue exceeds fees rendered, the excess is included as amounts recoverable on contracts within trade and other receivables. For contracts on which fees rendered exceed revenue, the excess is included as deferred income within trade and other payables.

The value of long term contracts is based on recoverable costs plus attributable profit. Cost is defined as engineering and technical staff costs and related overheads plus project expenses.

As projects reach stages where it is considered that their outcome can be reasonably foreseen, proportions of the expected total profit are brought into the financial statements. Provision is made for all known and anticipated losses.

	<u>2018</u> £	<u>2017</u> £
Revenue by destination		
United Kingdom	233,789	121,756
Asia	35,000	
Europe	-	17,700
	<u>268,789</u>	<u>139,456</u>

ARUP CORPORATE FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

4 DIRECTORS' REMUNERATION

Directors' salaries are borne by another group subsidiary.

5 OPERATING PROFIT

	<u>2018</u> £	<u>2017</u> £
This is stated after charging:		
During the year, the Company obtained the following services from the Company's auditor:		
Audit of Company financial statements	6,300	5,900
Fees payable for other services:		
- Other audit related assurance services	6,000	5,600
Loss on exchange from trading activities	<u>-</u>	<u>92</u>

6 INCOME TAX EXPENSE

Current and deferred income tax is recognised in the income statement for the year except where the taxation arises as a result of a transaction or event that is recognised in other comprehensive income or directly in equity. Income tax arising on transactions or events recognised in other comprehensive income or directly in equity is charged or credited to other comprehensive income or directly to equity respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income.

(a) Analysis of income tax expense

	<u>2018</u> £	<u>2017</u> £
Current income tax		
- UK: current income tax on profits for the year	10,424	-
Total current income tax	<u>10,424</u>	<u>-</u>
Income tax expense	<u>10,424</u>	<u>-</u>

(b) Factors affecting the income tax expense for the year

The tax assessed for the year is the same as (2017: lower) the standard rate of corporation tax in the UK 19% (2017: 20%). The differences are explained below:

Profit before income tax	54,861	13,308
Profit multiplied by the standard rate of corporation tax in the UK	10,424	2,662
Effects of:		
Group relief	-	(2,730)
Expenses not deductible for tax purposes	-	68
Total tax expense	<u>10,424</u>	<u>-</u>

(c) Factors affecting current and future tax charges

The rate of UK corporation tax reduced from 20% to 19% on 1 April 2017 and this is therefore the rate which has been reflected in the financial statements. A planned further reduction to 17%, effective 1 April 2020 was substantively enacted in 2016. As deferred income tax assets and liabilities are measured at the rates that are expected to apply in the periods of the reversal, deferred income tax balances at 31 March 2018 have been calculated at the rate at which the relevant balance is expected to be recovered or settled.

7 TRADE AND OTHER RECEIVABLES

	<u>2018</u> £	<u>2017</u> £
Trade receivables	12,000	-
Less: Provision for impairment of receivables	-	-
Trade receivables - net	<u>12,000</u>	<u>-</u>
Amounts recoverable on contracts	41,823	78,406
Amounts due from Group undertakings	83,873	534,131
	<u>137,696</u>	<u>612,537</u>

The directors consider that the carrying value of trade and other receivables approximates to their fair value.

ARUP CORPORATE FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

7 TRADE AND OTHER RECEIVABLES (continued)

Amount due from Group undertakings

Amounts due from Group undertakings are unsecured, interest free, have no date of repayment and are repayable on demand.

Pre-contract costs

The Company accounts for all pre-contract costs in accordance with IAS 11 'Construction contracts'. Costs incurred before it becomes probable that a contract will be obtained are charged to expenses. Directly attributable costs incurred after that point are recognised in the balance sheet and charged to the income statement over the duration of the contract.

8 TRADE AND OTHER PAYABLES

	<u>2018</u> £	<u>2017</u> £
Deferred income	2,095	-
Amounts owed to Group undertakings	-	484,386
Accrued expenses	12,132	11,543
Other payables	5,300	3,300
	<u>19,527</u>	<u>499,229</u>

The directors consider that the carrying value of trade and other payables approximates to their fair value.

Amount owed to Group undertakings

Amounts owed to Group undertakings are unsecured, interest free, have no date of repayment and are repayable on demand.

9 SHARE CAPITAL

	<u>2018</u> £	<u>2017</u> £
Issued, called up and fully paid: 50,000 (2017: 50,000) ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

10 CONTINGENT LIABILITIES

As a part of the ordinary business activities of the Company, claims may arise in relation to work undertaken by the Company. A Professional Indemnity Insurance policy has been taken to substantially cover any such claims that may arise from time to time. In addition, the Company is party to insurance club arrangements organised by Arup Group Limited. Arup Group Limited has provided confirmation that all liabilities from individual claims exceeding a certain threshold and up to the limit provided by external insurers are incurred by a related entity of Arup Corporate Finance Limited under these arrangements.

11 DIVIDENDS

The directors recommend a dividend of £40,000 for the year ended 31 March 2018 (2017: nil). An interim dividend of £1 per share, amounting to a total dividend of £50,000 was paid in the year ended 31 March 2018 and is reflected in these financial statements (2017: £2.45 per share, amounting to a total dividend of £122,420).

12 RELATED PARTIES

The following transactions were carried out with related parties that are not 100% owned by the Group:

During the year ended 31 March 2018 the Company did not receive income from Arup (Pty) Limited (2017: nil) and did not incur expenses from Arup (Pty) Limited (2017: £382). At the year end the Company did not have an amount due to or from Arup (Pty) Limited (2017: due to £382).

ARUP CORPORATE FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018

13 CONTROLLING PARTY

The immediate parent undertaking of Arup Corporate Finance Limited is Ove Arup Holdings Limited, a company incorporated in England and Wales.

Arup Group Limited is the parent undertaking of the largest group to consolidate these financial statements at 31 March 2018. The consolidated financial statements of Arup Group Limited are publicly available at 8 Fitzroy Street, London, W1T 4BJ, UK (previously 13 Fitzroy Street, London, W1T 4BQ, UK).

Ove Arup Holdings Limited is the smallest group to consolidate these financial statements at 31 March 2018. The consolidated financial statements of Ove Arup Holdings Limited are publicly available at 8 Fitzroy Street, London, W1T 4BJ, UK (previously 13 Fitzroy Street, London, W1T 4BQ, UK).

The ultimate parent undertakings and controlling parties are Ove Arup Partnership Employee Trust, Ove Arup Partnership Charitable Trust and The Arup Service Trust. These are the owners of Arup Group Limited. The controlling party is Ove Arup Partnership Charitable Trust.