

Amey Construction Limited

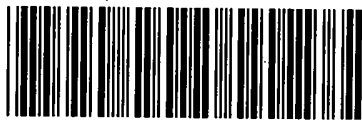
Company number: 02379472

Annual Report and Financial Statements

For the year ended

31 December 2015

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Amey Construction Limited

Annual Report and Financial Statements for the year ended 31 December 2015

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Company number

02379472

Directors

K Holder
W A Robertson

Company Secretary and Registered Office

Sherard Secretariat Services Limited
The Sherard Building
Edmund Halley Road
Oxford, OX4 4DQ
United Kingdom

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
Abbots House
Abbey Street
Reading, RG1 3BD
United Kingdom

Amey Construction Limited

Strategic Report for the year ended 31 December 2015

The Directors present their Strategic Report for the year ended 31 December 2015.

Principal activities

The Company's principal activity is civil engineering, building works and highways maintenance. Whilst there have been no changes to the Company's principal activity, it has not traded during the year.

Adoption of new accounting standards

Following the introduction of new accounting standards in the UK, the Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) in the preparation of these financial statements. This has resulted in revised presentation within the financial statements. The adoption of FRS 101 has had no impact on the previously reported profit and net assets of the Company.

Review of business and future developments

The income statement for the year is set out on page 6 and shows revenue of £nil (2014 – £nil) and a loss after tax amounting to £10,000 (2014 – £64,000 profit).

There have been no events since the balance sheet date which materially affect the position of the Company.

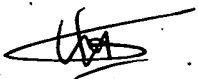
Key performance indicators

The Company's principal key performance indicator is profit before tax which is shown in the income statement for the year set out on page 6.

Principal risks and uncertainties

The Company's risks and other key performance indicators are only reported and managed on a Divisional basis. To gain a further understanding of this business, details of the principal risks and uncertainties and other key performance indicators are contained in the Annual Report and Financial Statements of the intermediate parent undertaking, Amey UK plc ('the Group'), for the year ended 31 December 2015. The Company is a member of the Central Services division of the Group.

On behalf of the Board



Wayne Robertson
Director
8 September 2016

Amey Construction Limited

Report of the Directors for the year ended 31 December 2015

The Directors present their Report together with the audited financial statements of the Company for the year ended 31 December 2015.

Dividends

No dividends were paid by the Company during the year (2014 – £nil).

Directors

The Directors of the Company during the year, and up to the date of this report, were:

K Holder
W A Robertson (appointed 11 February 2015)
M Ewell (resigned 11 February 2015)
A L Nelson (resigned 11 February 2015)

Going Concern

After making enquiries, and based on the assumptions outlined in note 2 to the financial statements, the Directors have concluded that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Auditor

Deloitte LLP has been appointed as Auditor and has expressed their willingness to continue in office as Auditor. In accordance with s487 of the Companies Act 2006, Deloitte LLP will be re-appointed as Auditor to the Company for the year to 31 December 2016.

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's Auditor for the purposes of the audit and to establish that the Auditor is aware of that information. The Directors are not aware of any relevant audit information of which the Auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

On behalf of the Board



Wayne Robertson
Director
8 September 2016

Amey Construction Limited

Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

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 United Kingdom Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify the Company's shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

Amey Construction Limited

Independent Auditor's Report to the members of Amey Construction Limited

We have audited the financial statements of Amey Construction Limited for the year ended 31 December 2015 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 12. 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), including FRS 101 'Reduced Disclosure Framework'.

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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditor

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 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 Ethical Standards for Auditors.

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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 and of its loss 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.

Amey Construction Limited

Independent Auditor's Report to the members of Amey Construction Limited (*continued*)

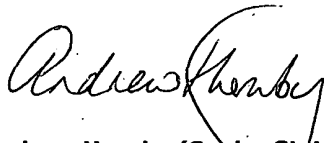
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and 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.



Andrew Hornby (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Reading, United Kingdom
08 September 2016

Amey Construction Limited**Income Statement for the year ended 31 December 2015**

	Note	2015 £'000	2014 £'000
Administrative (expense) income		(12)	65
Operating (loss) profit	4	(12)	65
(Loss) profit on ordinary activities before income tax		(12)	65
Income tax credit (charge) on ordinary activities	6	2	(1)
(Loss) profit for the year		(10)	64

All transactions relate to continuing operations.

The notes on pages 10 to 15 form part of these financial statements.

Amey Construction Limited

Statement of Comprehensive Income for the year ended 31 December 2015

	2015	2014
	£'000	£'000
(Loss) profit for the year	(10)	64
Total comprehensive (expense) income for the year	(10)	64

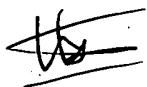
The notes on pages 10 to 15 form part of these financial statements.

Balance Sheet at 31 December 2015

	Note	2015 £'000	2014 £'000
Current assets			
Trade and other receivables	7	14,974	15,000
Cash and cash equivalents		715	699
Total current assets		15,689	15,699
Creditors: amounts falling due within one year	8	(9,833)	(9,833)
Net current assets		5,856	5,866
Total assets less current liabilities		5,856	5,866
Net assets		5,856	5,866
Equity			
Share capital	9	60,452	60,452
Retained deficit		(54,596)	(54,586)
Total shareholders' funds		5,856	5,866

The notes on pages 10 to 15 form part of these financial statements.

The financial statements on pages 6 to 15 were authorised for issue by the Board of Directors on 31 August 2016 and were signed on its behalf by:



Wayne Robertson
Director
8 September 2016

Amey Construction Limited

Statement of Changes in Equity for the year ended 31 December 2015

	Share capital £'000	Retained deficit £'000	Total £'000
Balance at 1 January 2014	60,452	(54,650)	5,802
Profit and total comprehensive income for the year	-	64	64
Balance at 31 December 2014	60,452	(54,586)	5,866
Loss and total comprehensive expense for the year	-	(10)	(10)
Balance at 31 December 2015	60,452	(54,596)	5,856

The notes on pages 10 to 15 form part of these financial statements.

Amey Construction Limited

Notes forming part of the financial statements for the year ended 31 December 2015

1 General information

The principal activity of Amey Construction Limited (the Company) is civil engineering, building works and highways maintenance; however the Company has not traded during the year. The Company is a private company and is incorporated and domiciled in the UK. The address of the registered office is The Sherard Building, Edmund Halley Road, Oxford, OX4 4DQ, United Kingdom.

2 Basis of preparation and going concern

New and amended standards adopted by the Company

The Company has adopted FRS 101 for the financial year beginning 1 January 2015. The adoption of FRS 101 has had no impact on the previously reported profit and net assets of the Company. Comparative information has been restated accordingly to reflect the presentation requirements of FRS 101.

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101), the historical cost convention and in accordance with the Companies Act 2006.

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

- 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:
 - paragraph 79(a)(iv) of IAS 1
 - paragraph 73(e) of IAS 16, 'Property, plant and equipment'
 - paragraph 118(e) of IAS 38, 'Intangible assets': reconciliations between 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 all 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 information
 - 134-136: capital management disclosures
- IAS 7, 'Statement of cash flows'
- Paragraph 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
- The requirements of IAS 24: disclosure of related party transactions entered into between two or more members of a group.

2 Basis of preparation and going concern (continued)

Going concern

The Company is a subsidiary of Amey UK plc (the Group) and its financial resources are managed on a group basis. In 2015, the Group generated strong cash flows and maintained a high degree of liquidity. Group cash balances available at 31 December 2015 were £3 million and, in addition, the Group held £160 million of undrawn bank loan facilities at that date, which expire in July 2019.

The Directors have prepared forecasts for the purpose of their going concern review which show that the Group operates comfortably within its available cash balances and credit facilities. The Directors have also considered reasonably possible sensitivities in the forecasts which principally reflect the impact of continued economic uncertainty and unforeseen adverse working capital movements. The Directors have also considered various mitigating actions available to the Group including reducing discretionary spend and further active management of working capital.

In drawing their conclusions on going concern, the Directors have reviewed the forecasts, sensitivities and mitigating actions noted above. They have considered the impact of being part of the wider Ferrovial Group of which the Group is a member. As a result of their considerations, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being 12 months from the date of signing these financial statements. The Directors therefore continue to adopt the going concern basis in preparing these financial statements.

3 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Current tax

The tax expense for the period comprises current tax. Tax is recognised in the income statement, unless it relates to items recognised in other comprehensive income (where it is then accordingly recognised).

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date.

Trade and other receivables

Trade and other receivables are amounts due from fellow group undertakings. They are initially recognised at fair value and subsequently measured at amortised cost, less provision for impairment. They are classed as non-current assets if collection is expected after more than twelve months.

Financial assets – classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss (held for trading), and loans and receivables. The classification depends on the purpose for which the financial assets were acquired and is determined at point of initial recognition.

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 twelve months when they are included in non-current assets, and comprise receivables and cash.

3 Accounting policies (*continued*)

Financial assets – recognition and measurement

Financial assets held at fair value through profit and loss are initially recognised at fair value. Subsequent changes in fair value are presented in the income statement within interest income or expense in the period in which they arise, unless designated as part of a hedge. Loans and receivables are carried at amortised cost. Financial assets are de-recognised when the rights to receive cash flows have expired.

Financial liabilities

The Company classifies its financial liabilities as other financial liabilities measured at amortised cost using the Effective Interest Rate (EIR) method.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits with banks. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

Obligations to pay for goods and services are recognised initially at fair value and subsequently measured at amortised cost.

4 Operating (loss) profit

The auditor's remuneration is borne by Amey Group Services Limited, a fellow subsidiary undertaking of the Company, and is not recharged.

5 Employee costs (including Directors)

The Company had no direct employees in either 2015 or 2014. No costs of employees of Amey Services Limited were recharged to this Company in 2015 or 2014.

No Directors were remunerated through the Company in either 2015 or 2014.

The emoluments of the Directors are paid by the parent group. Their services to this Company are of a non-executive nature and their remuneration is deemed to be wholly attributable to their services to the parent group.

6 Income tax

Tax (credit) charge included in the income statement:

	2015 £'000	2014 £'000
Current tax (credit) charge		
UK Corporation tax at 20.25% (2014 – 21.5%)		
- on the (loss) profit for the year	(2)	-
- adjustments in respect of prior periods	-	1
Total current tax (credit) charge	(2)	1
Total tax (credit) charge on (loss) profit on ordinary activities	(2)	1

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2015 £'000	2014 £'000
(Loss) profit on ordinary activities before tax	(12)	65
(Loss) profit multiplied by standard rate of corporation tax in the UK of 20.25% (2014 – 21.5%)	(2)	14
<i>Effects of:</i>		
Utilisation of previously unrecognised assets	-	(14)
Adjustment in respect of prior periods	-	1
Total tax (credit) charge for the year	(2)	1

The estimated value of the potential deferred tax asset of £691,000 (2014 – £691,000) was in respect of losses of £537,000 (2014 – £537,000) and other timing differences of £154,000 (2014 – £154,000).

The UK Finance Act (No.2) 2015, enacted on 26 October 2015, included provision for the main rate of corporation tax to reduce from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. This will reduce the Company's future tax charge accordingly.

7 Trade and other receivables

	2015 £'000	2014 £'000
<i>Amounts falling due within one year:</i>		
Amounts owed by group undertakings	14,974	15,000
Total trade and other receivables	14,974	15,000

Amounts owed by group undertakings are unsecured and are repayable on demand. There is no difference between the book value and fair value of amounts owed by group undertakings.

Amey Construction Limited

Notes forming part of the financial statements for the year ended 31 December 2015 (continued)

8 Creditors: amounts falling due within one year

	2015 £'000	2014 £'000
Creditors	106	106
Amounts owed to group undertakings	8,878	8,878
Accruals and deferred income	849	849
Total creditors: amounts falling due within one year	9,833	9,833

Amounts due to fellow group undertakings are unsecured and are repayable on demand. There is no difference between the book value and fair value of amounts owed to group undertakings.

9 Share capital

	Number	£'000
Ordinary shares of £1 each		
Authorised at 31 December 2014 and at 31 December 2015	60,452,002	60,452
Issued at 31 December 2014 and at 31 December 2015	60,452,002	60,452

10 Financial and capital commitments

At 31 December 2015, the Company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2015 £'000	2014 £'000
Not later than one year	38	38
Later than one year and not later than five years	153	153
Later than five years	268	130
Total lease commitments	459	321

The Company had no capital commitments at 31 December 2015 or at 31 December 2014.

11 Contingent liabilities

The Company has guaranteed certain performance bonds and borrowings of certain group undertakings.

Losses, for which no provision has been made in these financial statements, which might arise from litigation in the normal course of business are not expected to be material in the context of these financial statements.

There were no other contingent liabilities at 31 December 2015 or at 31 December 2014.

12 Controlling parties

The immediate parent undertaking is Amey plc.

The ultimate parent undertaking and the largest group to consolidate these financial statements is Ferrovial, S.A., a company incorporated in Spain. Copies of the Ferrovial, S.A. consolidated financial statements can be obtained from:

Ferrovial, S.A.
Principe de Vergara, 135
28002 Madrid
Spain

or from the Ferrovial, S.A. website: www.ferrovial.com

Amey UK plc is the ultimate holding company in the UK and the parent of the smallest group to consolidate these financial statements. Copies of the Amey UK plc consolidated financial statements can be obtained from:

The Company Secretary
Amey UK plc
The Sherard Building
Edmund Halley Road
Oxford, OX4 4DQ
United Kingdom