

REGISTERED NUMBER: 02379479 (England and Wales)

**Annual Report and
Financial Statements for the Year Ended 31 December 2016
for
Amey plc**



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Amey plc

**Company Information
for the Year Ended 31 December 2016**

Directors:

A Camacho Donezar
A Garcia
A L Milner
Sir R C Mottram
A L Nelson
S Olivares
F Gonzalez De Canales
C Hui

Secretary:

J Bowie

Registered office:

The Sherard Building
Edmund Halley Road
Oxford
Oxfordshire
OX4 4DQ

Registered number:

02379479 (England and Wales)

Auditor:

Deloitte LLP
Chartered Accountants and Statutory Auditor
4 Brindleyplace
Birmingham
Warwickshire
B1 2HZ

Amey plc

Strategic Report for the Year Ended 31 December 2016

The Directors present their strategic report for the year ended 31 December 2016.

Principal activities

Amey plc is a subsidiary undertaking of Amey UK plc, which is owned by Ferrovial Servicios, S.A., a wholly owned subsidiary undertaking of Ferrovial, S.A., which is a leading construction and services group based in Spain. Amey plc acts as an intermediate holding company and its income is derived from interest on intercompany loans. There have been no changes in the Company's activities during the year.

Review of business and future developments

The income statement for the year is set out on page 6 and shows a loss after tax amounting to £93,496,000 (2015 - £6,140,000 profit), all of which arose in respect of continuing operations.

Charges for provisions against impairments to investments in subsidiary undertakings of £93,500,000 arose in the year (2015 - £650,000 release of provision). The Company also made a loss of £438,000 on the dissolution of a subsidiary undertaking.

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

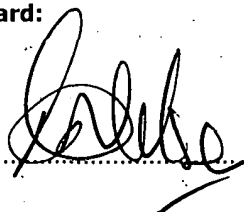
Key performance indicators

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 2016. The Company is a member of the Central Services division of the Group.

On behalf of the board:



.....
A L Nelson - Director

Date: 4 May 2017

Amey plc

Report of the Directors for the Year Ended 31 December 2016

The Directors present their report with the audited financial statements of the Company for the year ended 31 December 2016.

Dividends

No dividends were paid by the Company during the year (2015 - £nil).

Directors and Company secretary

The Directors shown below have held office during the whole of the period from 1 January 2016 to the date of this report.

A Camacho Donezar
A Garcia
Sir R C Mottram
A L Nelson
S Olivares

Other changes in Directors holding office are as follows:

A L Milner - appointed 19 February 2016
M Ewell - resigned 31 March 2016
F Gonzalez De Canales - appointed 29 April 2016

C Hui was appointed as a Director after 31 December 2016 but prior to the date of this report.

W A Robertson resigned as Company secretary on 28 April 2017, and J Bowie was appointed to replace him.

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.

Policy on slavery and human trafficking

In accordance with the Modern Slavery Act 2015, the Group is committed to ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business, with a zero tolerance for non-compliance. A full statement reflecting that commitment can be found on the Amey website and an abridged statement is included in the financial statements of the Company's intermediate parent company, Amey UK plc.

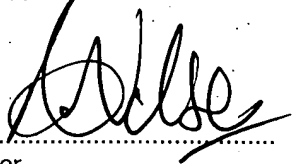
Statement as to disclosure of information to the auditor

So far as the Directors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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.

On behalf of the board:



.....
A L Nelson - Director

Date: 4 May 2017

**Statement of Directors' Responsibilities
for the Year Ended 31 December 2016**

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; 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.

Report of the Independent Auditor to the Members of Amey plc

We have audited the financial statements of Amey plc for the year ended 31 December 2016 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 19. 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 Financial Reporting Standard 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 a Report of the Auditor and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 Strategic Report and the Report of the Directors 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 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report and the Directors' Report.

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.



Peter Gallimore FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Birmingham

Date: 4 May 2017

Amey plc**Income Statement
for the Year Ended 31 December 2016**

	Notes	2016 £'000	2015 £'000
Revenue		-	-
Administrative expenses		<u>(158)</u>	<u>(24)</u>
Operating loss		(158)	(24)
Interest receivable and similar income	4	<u>29,100</u>	<u>31,379</u>
		28,942	31,355
Provision (charge)/release against investments	5	(93,500)	650
Loss on disposal of subsidiary undertakings		<u>(438)</u>	<u>-</u>
		(64,996)	32,005
Finance expense	6	(29,388)	(24,030)
(Loss)/profit before taxation	7	(94,384)	7,975
Tax on (loss)/profit	8	<u>888</u>	<u>(1,835)</u>
(Loss)/profit for the financial year		<u>(93,496)</u>	<u>6,140</u>

The notes on pages 10 to 24 form part of these financial statements.

Amey plc

**Other Comprehensive Income
for the Year Ended 31 December 2016**

	2016 £'000	2015 £'000
(Loss)/profit for the year	(93,496)	6,140
	<hr/>	<hr/>
Total comprehensive (expense)/income for the year	<u>(93,496)</u>	<u>6,140</u>

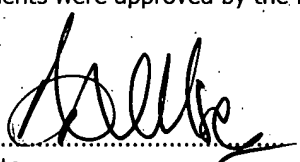
The notes on pages 10 to 24 form part of these financial statements.

Amey plc (Registered number: 02379479)

**Balance Sheet
31 December 2016**

	Notes	2016 £'000	2015 £'000
Fixed assets			
Investments	9	<u>303,857</u>	<u>323,091</u>
Current assets			
Debtors: amounts falling due within one year	10	344,295	391,214
Debtors: amounts falling due after more than one year	10	493,937	488,123
Cash in hand		<u>110,534</u>	<u>176</u>
		948,766	879,513
Creditors			
Amounts falling due within one year	11	<u>(591,976)</u>	<u>(583,869)</u>
Net current assets		<u>356,790</u>	<u>295,644</u>
Total assets less current liabilities		660,647	618,735
Creditors			
Amounts falling due after more than one year	12	<u>(547,000)</u>	<u>(411,592)</u>
Net assets		<u>113,647</u>	<u>207,143</u>
Capital and reserves			
Share capital	15	33,878	33,878
Other reserves		120,182	120,182
Retained earnings		<u>(40,413)</u>	<u>53,083</u>
Shareholders' funds		<u>113,647</u>	<u>207,143</u>

The financial statements were approved by the Board of Directors on 4 May 2017 and were signed on its behalf by:



.....
A L Nelson - Director
4 May 2017

The notes on pages 10 to 24 form part of these financial statements.

Amey plc**Statement of Changes in Equity
for the Year Ended 31 December 2016**

	Share capital £'000	Retained earnings £'000	Other reserves £'000	Total equity £'000
Balance at 1 January 2015	33,878	46,943	120,182	201,003
Changes in equity				
Total comprehensive income	-	6,140	-	6,140
Balance at 31 December 2015	<u>33,878</u>	<u>53,083</u>	<u>120,182</u>	<u>207,143</u>
Changes in equity				
Total comprehensive expense	-	(93,496)	-	(93,496)
Balance at 31 December 2016	<u><u>33,878</u></u>	<u><u>(40,413)</u></u>	<u><u>120,182</u></u>	<u><u>113,647</u></u>

The notes on pages 10 to 24 form part of these financial statements.

**Notes to the Financial Statements
for the Year Ended 31 December 2016**

1. General information

The principal activity of Amey plc (the Company) is intermediate holding company and operates wholly within the UK. 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. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The new or revised standards or interpretations that are effective for accounting periods commencing on or after 1 January 2016 and that are applicable to the Company were as follows. The adoption of these standards did not lead to any changes in the Company's accounting policies and has had no material impact on the financial statements.

IFRS 10, IFRS 12 and IAS 28 (amendments): Investment entities: applying the consolidation exemption

IFRS 11 (amendment): Accounting for acquisitions of interests in joint operations

IAS 1 (amendment): Disclosure initiative

IAS 16 and IAS 38 (amendments): Clarification of acceptable methods of depreciation and amortisation

IAS 27 (amendment): Equity method in separate financial statements

Annual improvements 2010 – 2012

Annual improvements 2012 – 2014

New standards applicable to the Company which have a significant impact and which will be adopted early in the accounting period commencing on 1 January 2017:

IFRS 9 – Financial Instruments: IFRS 9 may have a material impact on accounting for impairment of financial assets and also classification and measurement of financial assets. It is not practicable to provide a reasonable estimate of the effect of these standards since this impact will depend on both the financial instruments held by the Company and the economic conditions prevailing at the date of adoption.

There are no other new standards or interpretations that would be expected to have a material impact on the Company.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

2. Accounting policies - continued

Basis of preparation - continued

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of 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;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information 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; and
 - paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Basis of consolidation

The Company is exempt from preparing consolidated financial statements under section 400 of the Companies Act 2006 on the grounds that it is itself a wholly-owned subsidiary undertaking of a company registered in England and Wales. These financial statements therefore, present information about the individual undertaking and not about its group. These financial statements are separate financial statements.

Going concern

The Company is a subsidiary of Amey UK plc (the Group) and its financial resources are managed on a group basis. In 2016, the Group maintained a high degree of liquidity. Available Group cash balances at 31 December 2016 were £123 million and, in addition, the Group held £160 million of undrawn bank loan facilities at that date, which expire in July 2021. The Group also has two additional credit facilities of £80 million and £70 million from Landmille Limited (a subsidiary of Ferrovial S.A., the ultimate parent company), both of which renew automatically each year until September 2019 and February 2021 respectively.

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.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

2. Accounting policies - continued

Other principal 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.

Foreign currency translation

The functional currency is the currency of the primary economic environment in which the Company operates (Pound Sterling). Foreign currency denominated transactions and balances are translated using the exchange rate ruling at the date of the transaction or balance. Gains or losses arising are included in the income statement as they arise.

Leases of property, plant and equipment, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Finance leases are capitalised at commencement at the lower of the fair value or the net present value of the minimum lease payments with the corresponding rental obligation included in creditors. The interest element of the finance lease payment is charged to the income statement over the lease period so as to produce a constant period rate of interest.

Investment in subsidiary undertakings

Investments by the Company in the shares of subsidiary undertakings are stated at cost less accumulated impairment losses.

Trade and other receivables

Trade and other receivables are amounts due from fellow group undertakings and joint ventures. They are initially recognised at fair value and subsequently measured at amortised cost, less provision for impairment. **Cash in hand**

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

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.

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. Bank borrowings are recognised at the amount advanced net of any directly attributable transaction costs. Finance costs calculated in accordance with this policy are recognised in finance costs in the income statement.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

2. Accounting policies - continued

Current and deferred taxation

The tax expense for the period comprises current and deferred 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.

Deferred tax balances are recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. It is measured using tax rates that have been enacted or substantively enacted at the time when the temporary difference reverses. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Creditors

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

Critical accounting estimates and judgements

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

Impairments of investment in subsidiary undertakings and amounts due from fellow group undertakings

Management have assessed the carrying value of investments in subsidiary undertakings and the amounts due from fellow group undertakings for any change in the level of impairment provision against carrying value. For operating companies, the assessment considers whether the carrying value of the investment or receivable exceeds its recoverable amount which is the higher of the fair value of the investment or receivable and its value in use. The value in use is calculated using the present value of the future cash flows incorporating variations in the amount and timing of cash flows, time value of money, price for bearing the inherent uncertainty in the asset and other factors such as illiquidity. For non-operating companies the impairment provision reflects the net asset position of the related subsidiary undertaking.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**
3. Employees and Directors

The Company had no direct employees in either 2016 or 2015. The costs of employees of Amey Services Limited are recharged to this Company in direct support of its trade.

No Directors were remunerated through the Company in either 2016 or in 2015.

Details of the remuneration of the other Directors, whose services are of a non-executive nature and who are also directors of the Company's intermediate parent undertaking, Amey UK plc, and of its fellow group undertaking, Amey OW Limited, are disclosed in those companies' financial statements. Their remuneration is deemed to be wholly attributable to their services to those companies.

4. Interest receivable and similar income

	2016	2015
	£'000	£'000
Foreign exchange gains	-	2,964
Other interest receivable	40	155
Interest received from fellow subsidiary undertaking	28,827	28,260
Interest receivable from Cespa Ventures Limited, a Ferrovia S.A. undertaking	233	-
	<u>29,100</u>	<u>31,379</u>

5. Provision (charge)/release against investments

	2016	2015
	£'000	£'000
(Charge)/release of provision in the year	<u>(93,500)</u>	<u>650</u>

6. Finance expense

	2016	2015
	£'000	£'000
Foreign exchange losses	5,476	-
Other interest payable	832	679
Interest payable to immediate parent undertaking	1,852	3,952
Interest payable to Landmille Limited, a Ferrovia S.A. group undertaking	21,228	19,399
	<u>29,388</u>	<u>24,030</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016
7. (Loss)/profit before taxation

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

8. Taxation
Analysis of tax (income)/expense

	2016 £'000	2015 £'000
Current tax:		
Tax - current year	(57)	1,835
Adjustment in respect of prior periods	<u>(746)</u>	<u>-</u>
Total current tax	(803)	1,835
Deferred tax	<u>(85)</u>	<u>-</u>
Total tax (income)/expense in income statement	<u>(888)</u>	<u>1,835</u>

Factors affecting the tax expense

The tax assessed for the year is lower (2015 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £'000	2015 £'000
(Loss)/profit before income tax	<u>(94,384)</u>	<u>7,975</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(18,877)	1,615
Effects of:		
Release not deductible for tax purposes	86	(127)
Expenses not deductible for tax purposes	18,734	746
Utilisation of unrecognised brought forward tax losses	-	(399)
Impact of previously unrecognised timing differences now recognised	(95)	-
Impact of statutory rate change	10	-
Adjustment in respect of prior periods	<u>(746)</u>	<u>-</u>
Tax (income)/expense	<u>(888)</u>	<u>1,835</u>

The estimated value of the potential deferred tax asset not recognised of £2,603,000 (2015 - £3,175,000) was in respect of unutilised tax losses of £2,603,000 (2015 - £3,075,000) and of other timing differences of £nil (2015 - £100,000).

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 17% from 1 April 2020. This will reduce the Company's future tax charge accordingly.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

9. Investments

	Shares in group undertakings £'000
Cost	
At 1 January 2016	559,337
Additions	74,800
Disposals	<u>(1,870)</u>
At 31 December 2016	<u>632,267</u>
Provisions	
At 1 January 2016	236,246
Provided during the year	93,500
Eliminated on disposal	<u>(1,336)</u>
At 31 December 2016	<u>328,410</u>
Net book value	
At 31 December 2016	<u>303,857</u>
At 31 December 2015	<u>323,091</u>

Detail of the Company's investments at the Balance Sheet date in the share capital of companies held directly and indirectly is shown in note 19:

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**
10. Trade and other receivables

	2016 £'000	2015 £'000
Amounts falling due within one year:		
Amounts owed by group undertakings	382,509	437,008
Provision against amounts owed by group undertakings	(70,697)	(70,536)
Amounts owed by Ferrovial, S.A group undertakings	17	-
Social security and other tax	12,605	12,876
Other debtors	694	698
Corporation tax	19,082	11,168
Deferred tax asset (see note 14)		
Other timing differences	85	-
	<u>344,295</u>	<u>391,214</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	488,123	488,123
Amounts owed by Ferrovial, S.A group undertakings	5,814	-
	<u>493,937</u>	<u>488,123</u>
Aggregate amounts	<u>838,232</u>	<u>879,337</u>

Amounts owed by group undertakings are unsecured and there is no difference between their book value and their fair value.

Of the total amounts due from subsidiary undertakings, £211,091,000 (2015 - £211,091,000) bears interest at a variable rate of 0.5% (2015 - 0.5%), £488,123,000 (2015 - £488,123,000) bears interest at LIBOR plus a margin of 4.17% (2015 - LIBOR plus a margin of 4.17%) and £5,814,000 (2015 - £nil) bears interest at a fixed rate of 12.5% (2015 - nil).

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**
11. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Amount owed to subsidiary undertakings	590,284	581,801
Amount owed to other Ferrovial group undertaking	965	1,336
Other creditors	727	732
	<u>591,976</u>	<u>583,869</u>

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

The total amounts due to parent undertaking bears interest at a variable rate of 3.20% (2015 - 3.2%). Of the total amounts due to subsidiary undertakings, £333,840,000 (2015 - £348,128,000) bears interest at 3.75% (2015 - 3.75%).

Landmille Limited interest is charged at EURIBOR plus 3.5% (2015 - EURIBOR plus 3.5%) on amounts due of £nil (2015 - £nil). Of the amounts due to Ferrovial, S.A. group undertakings, £nil (2015 - £nil) bears interest at EURIBOR plus 3.5% (2015 - EURIBOR plus 3.5%).

12. Creditors: amounts falling due after more than one year

	2016 £'000	2015 £'000
Owed to Ferrovial group undertaking	547,000	411,592
	<u>547,000</u>	<u>411,592</u>

Included within the non-current liabilities - Owed to parent undertakings is an amount due to Landmille Limited of £377.5 million (2015: £377.5 million) which is designated in sterling and which bears interest at LIBOR plus 4.2% (2015: 4.2%). A further amount due to Landmille Limited of £39.5 million (2015: £34.1 million) is designated in euros and is charged interest at the rate of six-month EURIBOR plus 3.5% (2015: six-month EURIBOR plus 3.5%).

In 2016, Landmille Limited provided an additional sterling credit facility of £70.0 million, of which £50.0 million was utilised at the end of the year. This facility bears interest at one-month LIBOR plus 2.47% to 3.47%, depending on the level of drawdown. Also in 2016, Landmille Limited provided a further sterling credit facility of £80.0 million, which was fully drawn down at the end of the year. This facility bears interest at three-month LIBOR plus 1.91%.

13. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016 £'000	2015 £'000
Within one year	<u>6</u>	<u>3</u>

These amounts all relate to leases in respect of land and buildings.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**
14. Deferred tax asset

		£'000
Credit to Income Statement during year		<u>85</u>
Balance at 31 December 2016 arising on other timing differences		<u>85</u>
Unrecognised deferred tax comprises:		
	2016	2015
	£'000	£'000
Other timing differences	<u>2,603</u>	<u>2,699</u>
	<u>2,603</u>	<u>2,699</u>

15. Share capital
Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£'000	£'000
33,878,283	Ordinary Shares	£1	<u>33,878</u>	<u>33,878</u>

16. 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 2016 or at 31 December 2015.

17. Capital commitments

The Company had no capital commitments at 31 December 2016 or at 31 December 2015.

18. Controlling parties

The immediate parent undertaking is Amey Holdings Limited.

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

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

19. Details of investments held

All subsidiary undertakings are incorporated in England and Wales and operate principally in the UK (unless otherwise indicated). The Company's voting rights and the interest in their equity shares are 100%.

Active subsidiary undertaking	Nature of business
Accord Limited +	Holding company
Amey Community Limited +	Building support services
Amey Construction Limited	Highway management and maintenance
Amey Consulting Australia Pty Limited (Australia) +	Highway management and maintenance (Australia)
Amey Consulting LLC (Qatar) (49%) +	Highway management and maintenance (Qatar)
Amey Consulting USA, Inc. (USA) +	Highway management and maintenance (USA)
Amey Finance Services Limited	Group insurance activities
Amey Fleet Services Limited	Specialist fleet support services
Amey Group Information Services Limited	Group IT services
Amey Group Services Limited	Group central services
Amey Highways Limited	Highway management and maintenance
Amey Investments Limited	Investment holdings
Amey LG Limited	Highway management and maintenance
Amey LUL 2 Limited +	Sub-surface rail management services
Amey Mechanical and Electrical Services Limited +	Building support services
Amey Metering Limited +	Metering services
Amey OW Limited +	Professional services to highways market
Amey OWR Limited +	Professional services to rail market
Amey Power Services Limited	Power network maintenance
Amey Programme Management Limited	Building support services
Amey Public Services LLP (67%) +	Highway management and maintenance
Amey Rail Limited	Rail services, management and maintenance
Amey Roads (North Lanarkshire) Limited (67%) +	Highway management and maintenance
Amey Services Limited	Payroll services
Amey TPT Limited +	Professional services to rail market
Amey Utility Services Limited +	Utilities network maintenance
Amey Ventures Limited	Bid management
Amey Ventures Asset Holdings Limited +	Investment holdings
Amey Ventures Management Services Limited +	Investment management
Amey Wye Valley Limited (80%) +	Highways maintenance and other services
AmeyCespa Limited (50%) +	Waste management
AmeyCespa (AWRP) ODC Limited (50%) +	Waste management
AmeyCespa (East) Limited (50%) +	Waste management
AmeyCespa (East) Holdings Limited (50%) +	Holding company
AmeyCespa (IOW) SPV Limited +	Waste management
AmeyCespa (MK) ODC Limited (50%) +	Waste management
AmeyCespa Services (East) Limited (50%) +	Waste management
AmeyCespa WM (East) Limited (50%) +	Waste management
Brophy Grounds Maintenance Limited +	Environmental services
Byzak Limited +	Water systems maintenance
CFM Building Services Limited (Scotland) +	Buildings maintenance
Enterprise plc	Holding company
Enterprise (AOL) Limited +	Environmental services and highways maintenance
Enterprise (Venture Partner) Limited +	Investment holdings
Enterprise Holding Company No.1 Limited +	Holding company
Enterprise Managed Services Limited +	Utilities network maintenance and environmental services
EnterpriseManchester Partnership Limited (80%) +	Environmental services
Enterprise Public Services Limited +	Holding company
Fleet and Plant Hire Limited +	Specialist fleet support services
Globemile Limited +	Holding company
Heating and Building Maintenance Company Limited +	Facilities management
JJ McGinley Limited +	Building support services
MRS Environmental Services Limited +	Environmental services
Nationwide Distribution Services Limited +	Highways maintenance and other services
Novo Community Limited +	Rehabilitation and offender management services
Sherard Secretariat Services Limited	Company secretarial services
Slough Enterprise Limited +	Environmental services

+ interest held indirectly

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2016**

19. Details of investments held - continued

Dormant subsidiary undertakings

A.R.M. Services Group Limited *	Enterprise Consulting and Solutions Limited* *
Access Hire Services Limited *	Enterprise Fleet Limited *
Accord Asset Management Limited *	Enterprise Foundation (ETR) Limited *
Accord Consulting Services Limited *	Enterprise Islington Limited *
Accord Environmental Services Limited *	Enterprisekeepmoat Limited* *
Accord Leasing Limited* *	Enterprise Lighting Services Limited *
Accord Network Management Limited *	Enterprise Maintenance Services Limited* *
Allerton Waste Recovery Park Interim SPV Limited *	Enterprise Managed Services (BPS) Limited *
Amey Airports Limited	Enterprise Transport Services Limited* *
Amey Building Limited	Enterprise Utility Services (DCE) Limited* *
Amey Datel Limited *	Enterprise Utility Services (TBC) Limited* *
Amey Facilities Partners Limited *	First Claims Response Limited* *
Amey IT Services Limited	First Claims Response (Manchester) Limited* *
Amey OW Group Limited *	Haringey Enterprise Limited *
Amey Railways Holding Limited	Hillcrest Developments (Yorkshire) Limited *
Amey Technology Services Limited *	ICE Developments Limited *
Amey Tramlink Limited *	JDM Accord Limited *
Amey Tube Limited *	JNP Ventures Limited* *
Arkeco Environmental Services Limited* *	JNP Ventures 2 Limited *
Brophy Enterprise Limited* *	Lancashire Enterprises (Europe) Limited* *
Byzak Contractors (Scotland) Limited* (Scotland) *	MRS St Albans Limited *
CCMR Limited* *	Prism Research Limited* *
Comax Holdings Limited	Rhuburt Street Lighting Limited* *
Countrywide Property Inspections Limited *	Schofield Lothian Group Limited* *
CRW Maintenance Limited *	TPI (Holdings) Limited *
Datamerse Limited* *	Transportation Planning (International) Limited *
Durley Group Holdings Limited *	Trinity Group Holdings Limited *
Enterprise (ERS) Limited *	TSG Services Limited* *
Enterprise Building Services Limited *	W.M.Y. Consulting Limited* *
Enterprise Business Solutions 2000 Limited *	Wimco Limited *

* interest held indirectly

* Company is in member's voluntary liquidation

Notes to the Financial Statements - continued for the Year Ended 31 December 2016

19. Details of investments held - continued

The Company's joint venture undertakings, which are registered in England and Wales (unless otherwise indicated) and the proportion of equity held indirectly are as follows:

Joint venture undertaking	Nature of business	2016 % held	2015 % held
ALC (FMC) Limited	PFI asset management concession for the MOD	50.0	50.0
Amey Birmingham Highways Holdings Limited	PFI Highways concession in Birmingham	33.3	33.3
Amey Birmingham Highways Limited	PFI Highways concession in Birmingham	33.3	33.3
Amey FMP Belfast Strategic Partnership Hold Co Limited	Managing development of schools and libraries in Northern Ireland	70.0	70.0
Amey FMP Belfast Strategic Partnership SP Co Limited	Managing development of schools and libraries in Northern Ireland	70.0	70.0
Amey Hallam Highways Holdings Limited	PFI Highways concession in Sheffield	33.3	33.3
Amey Hallam Highways Limited	PFI Highways concession in Sheffield	33.3	33.3
Amey Ventures Investments Limited	Investment holdings	10.0	10.0
Amey-Webber LLC (USA)	Highways maintenance	51.0	51.0
AmeyCespa (AWRP) Holding Co Limited	PFI waste management concession	16.7	16.7
AmeyCespa (AWRP) SPV Limited	PFI waste management concession	16.7	16.7
AmeyCespa (MK) Holding Co Limited	PFI waste management concession	50.0	50.0
AmeyCespa (MK) SPV Limited	PFI waste management concession	50.0	50.0
CarillionAmey Limited	Facilities management and buildings maintenance	50.0	50.0
CarillionAmey (Housing Prime) Limited	Housing maintenance on behalf of the MOD	33.3	33.3
EduAction (Waltham Forest) Limited *	Education support services outsourcing	50.0	50.0
GEO Amey PECS Limited	Prisoner escort and custody services	50.0	50.0
Integrated Bradford Hold Co Two Limited	PFI schools concession in Bradford	6.0	6.0
Integrated Bradford LEP Limited	PFI schools concession in Bradford	40.0	40.0
Integrated Bradford LEP Fin Co One Limited	PFI schools concession in Bradford	40.0	40.0
Integrated Bradford PSP Limited	PFI schools concession in Bradford	50.0	50.0
Integrated Bradford SPV Two Limited	PFI schools concession in Bradford	6.0	6.0
Keolis Amey Docklands Limited	Railways maintenance	30.0	30.0
Keolis Amey Metrolink Limited	Railways maintenance	40.0	-
Ventia Boral Amey NSW Pty Limited (Australia)	Highways management and maintenance (Australia)	22.2	22.2
Ventia Boral Amey QLD Pty Limited (Australia)	Highways management and maintenance (Australia)	20.0	20.0
MTCnovo Limited	Rehabilitation and offender management services	50.0	50.0
Scot Roads Partnership Holdings Limited (Scotland)	Highways maintenance	20.0	20.0
Scot Roads Partnership Project Limited (Scotland)	Highways maintenance	20.0	20.0
Scot Roads Partnership Finance Limited (Scotland)	Highways maintenance	20.0	20.0
The London Community Rehabilitation Company Limited	Rehabilitation and offender management services	50.0	50.0
The Thames Valley Community Rehabilitation Company Limited	Rehabilitation and offender management services	50.0	50.0

* EduAction (Waltham Forest) Limited is held directly by the Company.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016
19. Details of investments held - continued

The following joint venture undertakings, and the Group proportion of equity held, are held indirectly through Amey Ventures Investments Limited:

Joint venture undertaking	Nature of business	2016 % held	2015 % held
AHL Holdings (Manchester) Limited	PFI street lighting concession	5.0	5.0
Amey Highways Lighting (Manchester) Limited	PFI street lighting concession	5.0	5.0
AHL Holdings (Wakefield) Limited	PFI street lighting concession	5.0	5.0
Amey Highways Lighting (Wakefield) Limited	PFI street lighting concession	5.0	5.0
ALC (Superholdco) Limited	PFI asset management concession for the MOD	5.0	5.0
ALC (Holdco) Limited	PFI asset management concession for the MOD	5.0	5.0
ALC (SPC) Limited	PFI asset management concession for the MOD	5.0	5.0
Amey Belfast Schools Partnership Hold Co Limited	PFI schools concession	10.0	10.0
Amey Belfast Schools Partnership PFI Co Limited	PFI schools concession	10.0	10.0
Amey Lighting (Norfolk) Holdings Limited	PFI street lighting concession	10.0	10.0
Amey Lighting (Norfolk) Limited	PFI street lighting concession	10.0	10.0
Amey Roads NI Holdings Limited <i>(Northern Ireland)</i>	PFI highways concession in Northern Ireland	5.0	5.0
Amey Roads NI Limited <i>(Northern Ireland)</i>	PFI highways concession in Northern Ireland	5.0	5.0
Amey Roads NI Financial Limited <i>(Northern Ireland)</i>	PFI highways concession in Northern Ireland	5.0	5.0
E4D&G Holdco Limited	PFI schools concession in Dumfries & Galloway	8.5	8.5
E4D&G Project Co Limited	PFI schools concession in Dumfries & Galloway	8.5	8.5
Integrated Bradford Hold Co One Limited	PFI schools concession in Bradford	3.3	3.3
Integrated Bradford SPV One Limited	PFI schools concession in Bradford	3.3	3.3
RSP (Holdings) Limited <i>(Scotland)</i>	PFI schools concession in Renfrewshire	3.5	3.5
The Renfrewshire Schools Partnership Limited <i>(Scotland)</i>	PFI schools concession in Renfrewshire	3.5	3.5
Services Support (Avon and Somerset) Holdings Limited	PFI courts concession in Bristol	2.0	2.0
Services Support (Avon and Somerset) Limited	PFI courts concession in Bristol	2.0	2.0

Notes to the Financial Statements - continued for the Year Ended 31 December 2016

19. Details of investments held - continued

Registered offices

The registered office of subsidiary and joint venture undertakings is The Sherard Building, Edmund Halley Road, Oxford, OX4 4DQ, United Kingdom. The exceptions to this are set out in the table below:

Undertaking	Registered office (United Kingdom, unless otherwise indicated)
Accord Leasing Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
AHL Holdings (Manchester) Limited	8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
AHL Holdings (Wakefield) Limited	8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
Arkeco Environmental Services Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Amey Consulting Australia Pty Limited	Level 26, 181 William Street, Melbourne, VIC 3000, Australia
Amey Consulting LLC	Doha, Qatar
Amey Consulting USA, Inc.	1130 Post Oak Boulevard, Suite 1250, Houston, Texas 77056
Amey Highways Lighting (Manchester) Limited	8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
Amey Highways Lighting (Wakefield) Limited	8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
Amey Roads NI Limited	Murray House, Murray Street, Belfast, BT1 6DN
Amey Roads NI Holdings Limited	Murray House, Murray Street, Belfast, BT1 6DN
Amey Roads NI Financial plc	Murray House, Murray Street, Belfast, BT1 6DN
Brophy Enterprise Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Byzak Contractors (Scotland) Limited	International House, Stanley Boulevard, Hamilton Intl Technology Park, Blantyre, Glasgow, G72 0BN
CarillionAmey Limited	84 Salop Street, Wolverhampton, WV3 0SR
CarillionAmey (Housing Prime) Limited	84 Salop Street, Wolverhampton, WV3 0SR
CCMR Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
C.F.M. Building Services Limited	International House, Stanley Boulevard, Hamilton Intl Technology Park, Blantyre, Glasgow, G72 0BN
Datamarse Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Enterprise Consulting and Solutions Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Enterprisekeepmoat Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Enterprise Maintenance Services Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Enterprise Transport Services Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Enterprise Utility Services (DCE) Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Enterprise Utility Services (TBC) Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
First Claims Response Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
First Claims Response (Manchester) Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Fleet and Plant Hire Limited	The Matchworks Pavillions 3 and 4, Garston, Liverpool, L19 2PH
Keolis Amey Docklands Limited	Evergreen Building North, 160 Euston Road, London, NW1 2DX
Keolis Amey Metrolink Limited	Evergreen Building North, 160 Euston Road, London, NW1 2DX
Lancashire Enterprises (Europe) Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Ventia Boral Amey NSW Pty Limited	Level 4, Tower 1, 495 Victoria Avenue, Chatswood SA, NSW 2067, Australia
Ventia Boral Amey QLD Pty Limited	Level 4, Tower 1, 495 Victoria Avenue, Chatswood SA, NSW 2067, Australia
Prism Research Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Rhoburt Street Lighting Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
RSP (Holdings) Limited	Precision House, McNeil Drive, Motherwell, ML1 4UR
Schofield Lothian Group Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
Scot Roads Partnership Finance Limited	Hermiston House, Unit B M8 Central Business Park, Greenside Road, Newhouse, Motherwell, ML1 5FL
Scot Roads Partnership Holdings Limited	Hermiston House, Unit B M8 Central Business Park, Greenside Road, Newhouse, Motherwell, ML1 5FL
Scot Roads Partnership Project Limited	Hermiston House, Unit B M8 Central Business Park, Greenside Road, Newhouse, Motherwell, ML1 5FL
Services Support (Avon & Somerset) Limited	Victoria House, Victoria Road, Chelmsford, Essex, CM1 1JR
Services Support (Avon & Somerset) Holdings Limited	Victoria House, Victoria Road, Chelmsford, Essex, CM1 1JR
The Renfrewshire Schools Partnership Limited	Precision House, McNeil Drive, Motherwell, ML1 4UR
TSG Services Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU
W.M.Y. Consulting Limited	West Point, 501 Chester Road, Old Trafford, Manchester, M16 9HU