

Everprime Limited

Annual report and financial statements

Registered number 02840336

For the year ended 31 December 2014

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Strategic report

The directors present their annual report together with the audited financial statements for the year ended 31 December 2014.

Principal activities

The company is a wholly-owned subsidiary of Carillion plc and operates as part of Carillion's Support Services Segment. The company's principal activity is the supply of contract operatives to the construction and rail industries. There have not been any significant changes in the company's principal activities in the year under review. The directors are not, at the date of this report, aware of any likely major changes in the company's activities in the next year.

Business review

Turnover in the year reduced by 16% to £85,889,000 (2013: £102,685,000) following a change to a direct delivery model by the company's client on certain of its contracts. Despite this reduction in turnover in 2014, the company's prospects in its key construction and rail industry markets remain strong as activity in these areas continues to increase.

The balance sheet on page 8 of the financial statements shows that net assets have decreased to £8,542,000 from £11,074,000 in the prior year, following the payment of a dividend of £11,000,000. In the current year, the overall cash position has improved to £3,315,000 (2013: £89,000).

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these financial statements.

Carillion manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance or position of the business.

The principal risks facing the business and the controls in place to mitigate these are as follows:

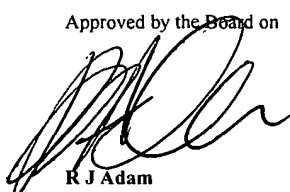
- the ability to win new contracts consistent with our target margins in markets that are competitive. In response, the company continually seeks to differentiate its offering by reviewing its competitive strategy and target markets, listens to customers in order to develop services that meet their needs and focus on efficiency and cost reduction to remain competitive.
- attracting and retaining skilled people in order to attract, develop and retain excellent people and become an employer of choice. Carillion has a wide range of policies and programmes in place. Further details are given in Carillion's Annual Report which does not form part of this report.
- health and safety performance - Carillion has a clear aim to reduce accidents to zero by taking a zero-tolerance approach to Health and Safety risks at work. The company's safety record is reviewed every month by the Senior Management Team and all branch managers are required to undertake periodic Safety Tours.

Profit and dividends

The profit before taxation was £8,092,000 (2013: £13,289,000). A dividend of £11,000,000 was paid during the year (2013: £11,000,000).

Approved by the Board on

22 June 2015
and signed on its behalf by:



R J Adam
Director

84 Salop Street
Wolverhampton
WV3 0SR

Directors' report

Directors

The directors serving during the year and subsequently were:

RJ Adam
NP Taylor
A Hayward

Political donations

The company made political donations of £nil during the year (2013: £nil).

Equal opportunities

The company is an equal opportunities employer. It is the policy of the company to give the fullest consideration to the employment needs of all prospective and existing employees. Carillion continually strives to eliminate all bias and unlawful discrimination in relation to job applicants, employees, business partners and members of the public. Full consideration is given to suitable applications for employment from disabled persons where they have the necessary abilities and skills for the position and wherever possible to re-train employees who become disabled, so that they can continue in their employment in another position.

Special attention is given to interviewing, selection, recruitment and training to ensure that there is effective implementation of company policy. Promotion is based upon ability, merit and performance taking into account the future needs of the company. Where necessary, training is carried out to assist employees to develop their full potential. All aspects of employment are regularly reviewed by management to ensure this policy is achieved.

Disclosure of information to the auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

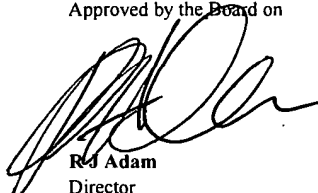
Auditor

KPMG Audit Plc resigned as auditor on 4 December 2014 pursuant to section 516 of the Companies Act 2006. On 7 April 2015 the Directors appointed KPMG LLP as auditor of the company to fill the casual vacancy as auditor under section 485(3) of the Companies Act 2006. KPMG LLP has indicated its willingness to continue in office and a resolution to reappoint it as auditor will be proposed at the next annual general meeting.

Approved by the Board on

22 June 2015

and signed on its behalf by:



RJ Adam
Director

84 Salop Street
Wolverhampton
WV3 0SR

Statement of directors' responsibilities in respect of the strategic report, directors' report and the financial statements

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH
United Kingdom

Independent auditor's report to the members of Everprime Limited

We have audited the financial statements of Everprime Limited for the year ended 31 December 2014 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 set out on page 5, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Peter Meehan
(Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

22 June 2015

Profit and loss account
for the year ended 31 December 2014

		2014	2013
	<i>Note</i>	£000	£000
Turnover	<i>1</i>	85,889	102,685
Cost of sales		(78,934)	(90,158)
Gross profit		6,955	12,527
Other operating income		228	378
Operating profit		7,183	12,905
Interest receivable and similar income	<i>6</i>	3,278	2,319
Interest payable and similar charges	<i>7</i>	(2,369)	(1,935)
Profit on ordinary activities before taxation		8,092	13,289
Tax on profit on ordinary activities	<i>8</i>	376	(232)
Profit for the financial year	<i>13</i>	8,468	13,057

All amounts relate to continuing operations.

There is no difference between the results as disclosed in the profit and loss account and the result on an unmodified historical cost basis in either the current or preceding financial year.

There were no recognised gains or losses in either the current or preceding financial year other than the profit or loss for those years.

The notes on pages 9 to 13 form part of the financial statements.

Balance sheet
at 31 December 2014

	Note	2014 £000	2013 £000
Current assets			
Debtors	10	108,696	102,570
Cash at bank and in hand		3,315	89
		<u>112,011</u>	<u>102,659</u>
Creditors: amounts falling due within one year	11	(103,469)	(91,585)
Net current assets representing net assets		<u>8,542</u>	<u>11,074</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	8,541	11,073
		<u>8,542</u>	<u>11,074</u>
Equity shareholder's funds	14	<u>8,542</u>	<u>11,074</u>

The notes on pages 9 to 13 form part of the financial statements.

These financial statements were approved by the Board of Directors on 22 June 2015 and were signed on its behalf by :



R J Adam
Director

Company registered number 02840336

Everprime Limited
Notes
(forming part of the financial statements)

1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial information.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the Business Review section of the Strategic report.

The company participates in the Carillion plc group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries. The directors, having assessed the responses of the directors of the company's ultimate parent Carillion plc to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Carillion group to continue as a going concern or its ability to continue with the current banking arrangements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue, although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result in the basis of preparation being inappropriate.

Cash flow statement

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that Carillion plc, the company's ultimate parent undertaking, includes the company's cash flows in its own published consolidated cash flow statement.

Turnover

Turnover represents the net amount receivable, excluding value added tax, for goods and services supplied to all customers including fellow subsidiary undertakings.

Taxation

The charge for taxation is based on the result for each year and takes into account deferred taxation. Deferred tax assets or liabilities arise from timing differences between the recognition of gains and losses in the financial statements and their recognition in the tax computation which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19. Liabilities are calculated on a non-discounted full provision basis. Assets are calculated on the same basis, but are recognised only to the extent that it is probable that they will be recovered.

Notes (continued)

2. Profit on ordinary activities before taxation

The audit fee for the year ended 31 December 2014 amounting to £3,800 (2013: £4,500) was borne by Carillion Construction Limited, a fellow group subsidiary.

Fees paid to the company's auditor, KPMG LLP and its associates, for services other than the statutory audit of the company are not disclosed in these financial statements since the consolidated financial statements of the company's parent, Carillion plc, are required to disclose non-audit fees on a consolidated basis.

3. Segmental analysis

The company operates within one segment only, being the supply of contract operatives to the construction industry and as such no analysis by activity has been provided.

The company's markets are all in the United Kingdom and as such no segmental analysis by origin or destination has been provided.

4. Staff numbers and costs

The company had no employees in either period. Staff are employed by Carillion Construction Limited but their costs are borne by Everprime Limited.

5. Directors' remuneration

The directors have neither received nor waived any remuneration during the year (2013: £nil) for their services to this company. The directors are directors or employees of Carillion Construction Limited and are remunerated from that company.

6. Interest receivable and similar income

	2014 £000	2013 £000
Interest receivable from group undertakings	3,227	2,256
Bank interest receivable	51	63
	<u>3,278</u>	<u>2,319</u>

7. Interest payable and similar charges

	2014 £000	2013 £000
Interest payable to group undertakings	<u>2,369</u>	<u>1,935</u>

Notes (continued)

8. Tax on profit on ordinary activities

(a) Analysis of taxation (credit)/charge in the year

	2014 £000	2013 £000
UK corporation tax		
Current tax	44	420
Adjustment in respect of prior periods	(420)	(188)
Total current taxation	(376)	232
Total taxation on profit on ordinary activities	(376)	232

(b) Factors affecting the tax (credit)/charge for the current year

The current year tax credit (2013: charge) for the year is lower (2013: lower) than the standard rate of 21.5% (2013: 23.25%). The difference is explained below:

	2014 £000	2013 £000
Current tax reconciliation		
Profit on ordinary activities before taxation	8,092	13,289
Tax on profit on ordinary activities at 21.5% (2013: 23.25%)	1,740	3,090
Effects of:		
Permanent differences	(1,696)	(2,670)
Adjustment in respect of prior periods	(420)	(188)
Current tax (credit)/charge for the year	(376)	232

(c) Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. This will reduce the company's future current tax charge accordingly.

9. Equity dividends

	2014 £000	2013 £000
Dividend paid to equity holders	11,000	11,000

Notes (continued)

10. Debtors

	2014 £000	2013 £000
Trade debtors	774	2,070
Amounts owed by group undertakings	103,015	94,192
Corporation tax	279	-
Other tax and social security	1,125	1,197
Prepayments and accrued income	3,503	5,111
	<u>108,696</u>	<u>102,570</u>

Amounts owed by fellow group undertakings bear interest at a rate which reflects the cost of borrowing to the group.

11. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	10,000	7,678
Amounts owed to group undertakings	89,320	80,099
Corporation tax	-	420
Other tax and social security costs	11	35
Other creditors	11	8
Accruals and deferred income	4,127	3,345
	<u>103,469</u>	<u>91,585</u>

Amounts owed to fellow group undertakings bear interest at a rate which reflects the cost of borrowing to the group.

12. Called up share capital

	2014 £000	2013 £000
Allotted, called up and fully paid: 1,000 ordinary shares of £1 each	<u>1</u>	<u>1</u>

13. Reserves

	Profit and loss account £000
At beginning of year	11,073
Profit for the financial year	8,468
Dividends paid to equity holders	(11,000)
At end of year	<u>8,541</u>

14. Reconciliation of movements in shareholder's funds

	2014 £000	2013 £000
Profit for the financial year	8,468	13,057
Dividend paid to equity holders	(11,000)	(11,000)
Net (decrease)/increase in equity shareholders' funds	(2,532)	2,057
Equity shareholder's funds at the beginning of the year	11,074	9,017
Equity shareholder's funds at the end of the year	<u>8,542</u>	<u>11,074</u>

Notes (continued)

15. Related party transactions

As a wholly-owned subsidiary of Carillion plc, the company has taken advantage of the exemption under FRS 8: "Related party disclosures" not to provide information on related party transactions with other undertakings within the Carillion Group. Note 16 gives details of how to obtain a copy of the published financial statements of Carillion plc.

16. Controlling and parent companies

The company's controlling company is Carillion plc, its ultimate parent company, which is incorporated in Great Britain and registered in England and Wales.

Copies of the group financial statements of Carillion plc are available from 84 Salop Street, Wolverhampton, WV3 0SR.