Turner & Townsend Suiko Limited

(formerly Suiko Limited)

Directors' report and financial statements

Registered number 03363376

30 April 2017

Contents

Strategic report

The directors present their Strategic report for Turner & Townsend Suiko Limited for the year ended 30 April 2017.

Principal activities

The principal activity of the company during the year was the provision of management consultancy services to the real estate and infrastructure sectors.

Business model

Turner & Townsend Suiko Limited is a member of the Turner & Townsend Group. Turner & Townsend is a global programme management and construction consultancy which supports organisations that invest in, own and operate assets.

We support organisations to succeed by managing risk while maximising value and performance during the construction and operation of their assets.

Turner & Townsend Suiko Limited operates primarily in the UK. It delivers services to its local market across the real estate and infrastructure sectors.

Business review

For the year ended 30 April 2017 turnover was £3,380,464 *(2016: £3,828,792)*. Profit before tax for the year was £348,373 *(2016: £1,113,324)*

The balance sheet remains strong as does the liquidity of the company. At the year end the business had net assets of £1,581,846 *(2016: £1,262,141)*.

On 21 June 2016 the business became a part of the Turner & Townsend group of companies.

Key performance indicators

The directors consider turnover and profit before tax to be the key performance indicators for the business. These results are reported on a monthly basis.

In addition to turnover and operating profit, the directors monitor and review staff utilisation, income and cost per head, debtor days and the level of income secured against budget on a monthly basis.

Risks and uncertainties

The principal risks and uncertainties facing the company are as follows:

Customers and markets

The company is exposed to the risk of losing key customers and to market volatility. The company manages these risks through diversification into different sectors and by ensuring no reliance on any single customer.

Resourcing and retention

The company is at risk of not filling gaps in its management structure as they arise, a lack of capacity of existing resource to meet demand and the failure to retain valued and experienced people. The company manages these risks through an internal recruitment system and resourcing team, a documented global mobility policy and embedded learning and development and performance review processes.

Strategic report *(continued)*

Risks and uncertainties *(continued)*

Compliance

As the company expands it is increasingly exposed to new business regulations and the risk of breaches of regulatory laws by individual employees. The company manages these risks through the retention and use of regional professional advisors, ongoing training and the reinforcement of a culture of good governance and documented procedures and plans to address the event, or possibility, of non-compliance.

Credit risks

The company manages credit risk by obtaining external credit evaluations on customers and regular monitoring of the outstanding debt. The wide customer base ensures no significant exposure to any individual customer default.

Future developments

The directors will continue to implement the strategy of growth through the diversification of services and sectors that has provided such resilience to the business in recent years.

Signed on behalf of the Board

AD Marsh
Director

Low Hall
Calverley Lane
Horsforth
Leeds
LS18 4GH
United Kingdom

22 January 2018

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 April 2017.

Dividends

The company has declared and paid dividends of £17,000 *(2016: £259,275)* on its ordinary shares during the year.

Directors and directors' interests

The directors who held office during the period and subsequent to the period end were as follows:

AD Marsh	
RCC Lyle	
VP Clancy	(appointed 21 June 2016)
JCM White	(appointed 21 June 2016)

During the year the entire share capital of the business was acquired by Turner & Townsend UK Limited whose ultimate parent company is Turner & Townsend Partners LLP (see note 14).

During the period 11,000 share options were exercised by the directors of the business.

No rights to subscribe for shares in, or debentures of, the Company were granted to any of the directors or their immediate families, during the financial period.

Political and charitable contributions

The Company made no political or charitable donations during the current or prior period.

Disclosure of information to auditor

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

Auditor

KPMG LLP was appointed auditor during the period. In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG LLP as auditor of the company was proposed at the Annual General Meeting.

By order of the board

AD Marsh
Director

Low Hall
Calverley Lane
Horsforth
Leeds
LS18 4GH

22 January 2018

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS101 Reduced Disclosure Framework.

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.

Independent auditor's report to the members of Turner & Townsend Suiko Limited (formerly Suiko Limited)

We have audited the financial statements of Turner & Townsend Suiko Limited (formerly Suiko Limited) for the year ended 30 April 2017 set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (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

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 30 April 2017 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.

Other matter - Prior period financial statements

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited.

Opinion on other matters prescribed by the Companies Act 2006

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Turner & Townsend Suiko Limited (formerly Suiko Limited)

(continued)

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.

C. Needham

Claire Needham (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Street
Sovereign Square
Leeds
LS1 4DA

26th January 2018.

Profit and loss account and other comprehensive income
for the year ended 30 April 2017

	Note	2017 £	Unaudited 2016 £
Turnover	*2*	**3,380,464**	3,828,792
Cost of sales		**(2,191,929)**	(2,089,957)
Gross profit		**1,188,535**	1,738,835
Administrative expenses		**(843,215)**	(628,423)
Other operating income		**1,162**	1,589
Operating Profit		**346,482**	1,112,001
Interest receivables and similar income		**2,223**	1,598
Interest payable and similar charges		**(332)**	(275)
Profit on ordinary activities before taxation	*3*	**348,373**	1,113,324
Tax on profit on ordinary activities	*6*	**(41,968)**	(221,184)
Profit for the financial year		**306,405**	892,140

The notes from pages 10 to 19 form part of the financial statements.

The company had no other comprehensive income or expenditure other than the profit for the financial year.

The results of the company arose entirely from continuing operations.

Balance sheet
at 30 April 2017

	Note	2017		Unaudited 2016	
		£	£	£	£
Fixed assets					
Tangible assets	8		**22,776**		23,246
			22,776		23,246
Current assets					
Debtors	9	**872,020**		1,186,974	
Cash at bank and in hand		**1,292,333**		1,061,441	
		2,164,353		2,248,415	
Creditors: amounts falling due within one year	10	**(600,737)**		(1,005,070)	
Net current assets			**1,563,616**		1,243,345
Total assets less current liabilities			**1,586,392**		1,266,591
Provisions for liabilities			**(4,546)**		(4,450)
Net assets			**1,581,846**		1,262,141
Capital and reserves					
Called up share capital	11		**1,110**		1,000
Share premium			**32,590**		2,400
Capital redemption reserve			**180**		180
Profit and loss account			**1,547,966**		1,258,561
Shareholders' funds			**1,581,846**		1,262,141

The notes from pages 10 to 19 form part of the financial statements.

These financial statements were approved by the Board of directors on 22 January 2018 and were signed on its behalf by:

AD Marsh
Director

Statement of changes in equity
for the year ended 30 April 2017

	Share Capital £	Share Premium £	Capital Redemption £	Retained Earnings £	Total Equity £
At 30 April 2016	1,000	2,400	180	1,258,561	1,262,141
Total comprehensive income for the period					
Profit for the year	-	-	-	306,405	306,405
	1,000	2,400	180	1,564,966	1,568,546
Transactions with owners recorded directly in equity					
Issued share capital	110	30,190	-	-	30,300
Dividends	-	-	-	(17,000)	(17,000)
At 30 April 2017	**1,110**	**32,590**	**180**	**1,547,966**	**1,581,846**

Unaudited	Share Capital £	Share Premium £	Capital Redemption £	Retained Earnings £	Total Equity £
At 30 April 2015	1,150	2,400	30	765,197	768,777
Total comprehensive income for the period					
Profit for the year	-	-	-	892,140	892,140
	1,150	2,400	30	1,657,337	1,660,917
Transactions with owners recorded directly in equity					
Re-purchase of share transactions with owner	-	-	150	(153,676)	(153,526)
Share based payment charge	-	-	-	14,175	14,175
Issued share capital	(150)	-	-	-	(150)
Dividends	-	-	-	(259,275)	(259,275)
At 30 April 2016	**1,000**	**2,400**	**180**	**1,258,561**	**1,262,141**

Notes

(forming part of the financial statements)

1 Accounting policies

Turner & Townsend Suiko Limited (the "Company") is a private company incorporated, domiciled and registered in England and Wales.

Basis of preparation

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

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework ("FRS 101").* In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has adopted FRS 101 for the first time.

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position, financial performance and cash flows of the Company is provided in note 15.

The Company's ultimate parent undertaking, Turner & Townsend Partners LLP includes the Company in its consolidated financial statements. The consolidated financial statements of Turner & Townsend Partners LLP are prepared in accordance with International Financial Reporting Standards, are available to the public and may be obtained from the registered office.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital and tangible fixed assets;
- Disclosures in respect of transactions with wholly owned subsidiaries of the Turner & Townsend Partners LLP group;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated financial statements of Turner & Townsend Partners LLP include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not either held as part of trading portfolio or derivatives.

Notes *(continued)*

1 Accounting policies *(continued)*

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Functional and presentational currency

These financial statements are presented in Great British Pounds, which is the Company's functional currency. All financial information presented in Great British Pounds has been rounded to the nearest pound.

Going concern

The Board has prepared a working capital forecast using assumptions as to future trading. Based upon these projections and its cash balances, the Board has concluded that the Company has adequate working capital and therefore it is appropriate to use the going concern basis of preparation for this financial information.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired – fair value through profit and loss; loans and receivables; held-to-maturity investments; available-for-sale. The Company currently only has financial assets classified as loans and receivables, the accounting policy for which is as follows:

Loans and receivables: These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), but also incorporate other types of contractual monetary asset. They are carried at cost less any provision for impairment.

Calculation of recoverable amount

The recoverable amount of the Company's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Financial liabilities

Financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and thereafter at amortised cost.
- Loans are initially recognised at fair value, calculated as being the present value of future cash flows discounted to present value at a market rate of interest. Subsequent to initial recognition, loan notes are stated at amortised cost using the effective interest method, less any impairment losses.

Notes *(continued)*

1 Accounting policies *(continued)*

Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Intra-group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Fixed assets and depreciation

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is provided by the company to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Equipment, fixtures and fittings - 25% reducing balance

Work-in-Progress on long term contracts

Work is undertaken on contracts either on the basis that time is billed as incurred or according to the terms of the fixed price contracts (which are substantially long term). With respect to the former, revenue and profit are recognised according to time worked. With respect to fixed price contracts, revenue is recognised according to the percentage of the estimated total contract value completed; a prudent proportion of profit is also recognised as the contract progresses. All losses are fully recognised as soon as incurred or foreseen.

Where the value of revenue recognised in accordance with this policy differs from the actual amount invoiced in accordance with the terms of the contract, then the difference is included in Trade and other receivables as "Amounts recoverable on contracts" and in Trade and other payables as "Amounts invoiced in excess of work in progress" as appropriate.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Employee benefits

Defined contribution plans

The primary pension scheme participated in by the Company is a defined contribution scheme. Obligations for contributions to this pension plan are recognised as an expense in the income statement as incurred.

Share-based payments

The Company has issued equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured by the Company at fair value at the grant date. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will eventually vest.

Notes *(continued)*

1 Accounting policies *(continued)*

Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Taxation

Taxation comprises current. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Turnover

Revenue shown in the income statement represents amounts chargeable to clients for professional services provided during the year, inclusive of direct expenses incurred on client assignments but excluding Value Added Tax.

Revenue is recognised when a right to the consideration has been obtained through performance under each contract, and, to the extent that the outcome of contracts can be assessed with reasonable certainty, includes appropriate amounts in respect of long term work-in-progress (as described in accounting policies – Work-in-Progress on long term contracts).

Key sources of uncertainty

Revenue for professional services

In calculating the revenue for professional services, the Company makes certain estimates as to the stage of completion of each contract under which professional services are provided. In doing so, the Company may make certain estimates as to the remaining costs to be incurred in completing the services required under the contract and the client's ability and intention to pay for the services provided. A different assessment of the outturn on a contract may result in a different value being determined for revenue.

Trade and other receivables

The Company makes an assessment of impairment losses on trade receivables after giving consideration to a client's ability and willingness to pay invoices issued and unbilled amounts for client work. A different assessment of the recoverability of either balance may result in a different value being determined for these.

2 Turnover and profit before taxation

Turnover and profit before taxation is wholly attributable to the Company's principal activity and takes place mainly in the UK.

Notes *(continued)*

3 Profit on ordinary activities before taxation

	2017	Unaudited 2016
	£	£
Profit on ordinary activities before taxation is stated after charging		
Fees payable to the Company's auditor for the audit of the Company accounts	**11,500**	-
Depreciation	**7,934**	7,748

4 Remuneration of directors

Directors' remuneration during the year was as follows:

	Salary	Pension contributions	Year ended 2017 Total	Year ended 2016 Total
	£	£	£	£
Directors' remuneration	352,808	6,627	**359,435**	174,757

A total of 4 (2016: 2) directors served the Company during the year, of which 2 directors also held director positions in other Turner & Townsend group companies. The directors' remuneration is paid by and disclosed in the company in which they spend the majority of their time. 3 directors *(2016: 1)*, including those remunerated by another group company, accrued retirement benefits under money purchase schemes.

During the year one director exercised 11,000 share options.

5 Staff numbers and costs

The average number of persons employed by the Company (excluding directors) during the year, analysed by category, was as follows:

	Number of employees 2017	Unaudited 2016
Professional and administrative staff	**15**	11

The aggregate payroll costs of these persons were as follows:

	2017	Unaudited 2016
	£	£
Wages and salaries	**1,505,221**	1,024,702
Social security costs	**181,628**	123,262
Other pension costs (note 12)	**39,430**	19,497
	1,726,279	1,167,461

Notes *(continued)*

6 Taxation

	2017	Unaudited 2016
UK corporation tax	**£**	£
Current tax on income for the year	**41,872**	221,113
Deferred tax	**96**	71
Tax on profit on ordinary activities	**41,968**	221,184

Factors affecting the tax charge for the current year

The current tax charge for the year is lower *(2016: lower)* than the standard rate of corporation tax in the UK 19.9% *(2016: 20.0%)*. The differences are explained below:

	2017	Unaudited 2016
Tax reconciliation	**£**	£
Profit on ordinary activities before tax	**348,373**	1,113,324
Current tax at 19.9% *(2016: 20.0%)*	**69,326**	222,665
Effects of:		
Employee share acquisition deduction	**(27,396)**	-
Expenses not deductible for tax purposes	**38**	2,835
Expenses deductible for tax purposes	**-**	(4,316)
Total tax charge	**41,968**	221,184

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

7 Dividends

	2017	Unaudited 2016
Ordinary shares:	**£**	£
Dividends	**17,000**	259,275

Notes *(continued)*

8 Tangible fixed assets

	Equipment, fixtures and fittings £
Cost	
At beginning of year (Unaudited)	88,287
Additions	8,493
Disposals	(1,830)
At end of year	**94,950**
Depreciation	
At beginning of year (Unaudited)	65,041
Charge for year	7,934
Disposals	(801)
At end of year	**72,174**
Net book value	
At 30 April 2017	**22,776**
At 30 April 2016 (Unaudited)	23,246

9 Debtors

	2017 £	Unaudited 2016 £
Trade debtors	**619,252**	1,100,356
Amounts recoverable on contracts	**73,803**	65,846
Amount owed by group companies	**167,307**	-
Other debtors and prepayments	**11,658**	20,772
	872,020	1,186,974

Current account balances with related Turner & Townsend undertakings have arisen from trading on an arm's length basis, are repayable on demand and are non-interest bearing.

10 Creditors: amounts falling due within one year

	2017 £	Unaudited 2016 £
Trade creditors	**110,271**	139,833
Amounts invoiced in advance	**182,275**	316,285
Corporation tax	**41,866**	221,113
Other tax and social security	**144,809**	144,583
Accruals and other creditors	**121,516**	107,071
Directors current accounts	-	76,185
	600,737	1,005,070

Current account balances with related Turner & Townsend undertakings have arisen from trading on an arm's length basis, are repayable on demand and are non-interest bearing.

Notes *(continued)*

11 Called up share capital

	£
Ordinary shares of £0.01 each allotted, called up and fully paid	
At the beginning of the year (Unaudited)	1,000
Issued during the year	110
At the end of the year	**1,110**

11,000 ordinary shares were issued and fully paid in the year.

Share buy-back
During the year ended 30 April 2016 the Company repurchased 15,000 shares at an average price of £10.24 and at a total cost of £153,676. The total cost was deducted from shareholders equity as shown in the Statement of Changes in Equity.

Equity settled share options
Under the approved Enterprise Management Incentive scheme and in accordance with the Rules of the Suiko Limited 2001 Share Option Scheme, an employee holds options to subscribe for shares in the Company at an exercise price agreed when the options were granted.

Share options	**2017 Number of Share Options**	2016 Number of Share Options
At the beginning of the year (Unaudited)	**11,000**	**7,500**
Granted during the year	-	3,500
Exercised during the year	(11,000)	-
At the end of the year	**-**	**11,000**

During the year ended April 2016, the Company granted 3,500 share options in respect of the ordinary shares of 1p each. The share awards had an exercise price of £4.05 and a fair value of £14,175. At 30 April 2016 there were 11,000 Ordinary share options outstanding at exercise prices of £4.05 and £2.15 per share. During the year ended April 2017, all remaining outstanding share options were exercised. As at 30 April 2017 there were no outstanding share options. The weighted average share price at the date of exercise of share options exercised during the year was £2.75.

12 Pension schemes

Defined contribution schemes
The primary scheme participated in by the Company is a defined contribution scheme. The pension cost for the year represents contributions payable by the Company to the schemes and amounted to £39,430 *(2016: £19,497).*

13 Related party disclosures

The Company has a related party relationship with fellow Turner & Townsend entities, its immediate and ultimate parent companies and with its directors.

Balances on directors' current accounts are non-interest bearing and are repayable within one year.

The Company has relied on the exemption in Financial Reporting Standard 101 not to disclose transactions with other wholly owned subsidiaries of the Turner & Townsend Partners LLP group, on the basis that consolidated accounts are prepared by Turner & Townsend Partners LLP and are available from the registered office.

Balances due from and to group companies are disclosed in notes 9 and 10.

Notes *(continued)*

14 Ultimate parent company

The largest group in which the results of the Company are consolidated is that headed by Turner & Townsend Partners LLP, incorporated in England & Wales. The smallest group in which the results of the Company are consolidated is that headed by Turner & Townsend Limited, incorporated in England and Wales. The registered office for Turner & Townsend Partners LLP and Turner & Townsend Limited is; Low Hall, Calverley lane, Horsforth, Leeds, LS18 4GH.

The consolidated accounts of these companies are available to the public and may be obtained from the Company's registered office.

15 Transition to FRS 101

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 101.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 30 April 2017, the comparative information presented in these financial statements for the year ended 30 April 2016 and in the preparation of an opening FRS 101 balance sheet at 1 May 2015 (the Company's date of transition).

The Company has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (FRSSE). An explanation of how the transition from FRSSE to FRS 101 has affected the presentation of the Company's financial position and financial performance is set out in the following tables and the notes that accompany the tables.

Reconciliation of the Company's profit for 2016

	FRSSE £	Effect of transition to FRS101 £	FRS101 £
Turnover	3,828,792	-	3,828,792
Cost of sales	(2,089,957)	-	(2,089,957)
Gross profit	1,738,835	-	1,738,835
Administrative expenses	(614,248)	(14,175)	(628,423)
Other operating income	1,589	-	1,589
Operating profit	1,126,176	(14,175)	1,112,001
Interest payable and similar charges	(275)	-	(275)
Interest receivable	1,598	-	1,598
Profit on ordinary activities before taxation	1,127,499	(14,175)	1,113,324
Tax on profit on ordinary activities	(221,184)	-	(221,184)
Profit for the financial year	906,315	(14,175)	892,140

Notes to the reconciliation of the Company's profit for 2016:

Following the transition to FRS101, a charge relating to share options awarded during 2015/16 has been charged to the profit and loss account with a corresponding credit to shareholder's funds. The charge is based on the fair value of the share options determined at grant date and is expensed over the vesting period. The adjustment has no impact on shareholder's funds at 30 April 2016.

Notes *(continued)*

15 Transition to FRS 101 from UKGAAP *(continued)*

Reconciliation of the Company's equity as at 30 April 2016

	FRSSE	Effect of transition to FRS101	FRS101
	£	£	£
Fixed assets			
Tangible assets	23,246	-	23,246
	23,246	-	23,246
Current assets			
Debtors	1,186,974	-	1,186,974
Cash at bank and in hand	1,061,441	-	1,061,441
	2,248,415	-	2,248,415
Creditors: amounts falling due within one year	(1,005,070)	-	(1,005,070)
Net current assets	1,243,345	-	1,243,345
Total assets less current liabilities	1,266,591	-	1,266,591
Creditors: amounts falling due after one year	(4,450)	-	(4,450)
Net assets	1,262,141	-	1,262,141
Capital and reserves			
Called up share capital	1,000	-	1,000
Share premium	2,400	-	2,400
Capital redemption reserve	180	-	180
Profit and loss account	1,258,561	-	1,258,561
Shareholders' funds	1,262,141	-	1,262,141

Notes to the reconciliation of the Company's equity as at 30 April 2016

Net assets are unaffected by the transition to FRS101.

Notes to the reconciliation of the Company's equity as at 1 May 2015

Net assets at 1 May 2015 were £784,643. Net assets as at 1 May 2015 are unaffected by the transition to FRS101.