

Carillion (Aspire Construction) Holdings No.2 Limited

Annual report and financial statements

Registered number 5704108

For the year ended 31 December 2015



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Strategic report

The directors present their annual report together with the audited financial statements for the year ended 31 December 2015.

Principal activities

The company operates as a holding company for certain Carillion plc investments, and is otherwise not engaged in trading activities.

Business review

The profit and loss account is set out in page 7, and shows profit for the year before taxation amounting to £5,749,998 (2014: £12,467,848). The company has paid a dividend for the year of £5,750,000 (2014: £12,468,000).

Key performance indicators

The Carillion Group manages its operations on a divisional basis. For this reason, the Company's director believes that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of Carillion Plc, which includes the company, is discussed in the Group's annual report which does not form part of this report.

Principal risks and uncertainties

Group risks are managed at Group level, rather than on an individual business unit level. For this reason the Company's director believes that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the Company's business. The principal risks and uncertainties of the Carillion Group, which include those of the company, are discussed in the Group's annual report which does not form part of this report.

Approved by the Board on

23 September 2016

and signed on its behalf by:


RG Lumby
Director

84 Salop Street
Wolverhampton
WV3 0SR

Directors' report

Directors

The directors serving during the year and subsequently were:

AH Moore
NB Kingon
GB Cuthbertson
PJ McKenna
RG Lumby

Employees

During the current year, the company did not have any employees (2014: nil).

Political donations

The company made no political donations during the year (2014: £nil).

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 auditor is 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 auditor is aware of that information.

Auditor

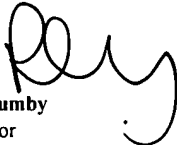
Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on

23 September 2016

and signed on its behalf by:

RG Lumby
Director



84 Salop Street
Wolverhampton
WV3 0SR

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

The directors are responsible for preparing the Strategic report and 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 FRS 101 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 Financial Reporting Standard 101 Reduced Disclosure Framework has 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 Carillion (Aspire Construction) Holdings No.2 Limited

We have audited the financial statements of Carillion (Aspire Construction) Holdings No.2 Limited for the year ended 31 December 2015 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 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 2015 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

23 September

2016

Profit and loss account
for the year ended 31 December 2015

		2015 £	2014 £
	<i>Note</i>		
Administrative expenses		(2)	(152)
Operating loss		(2)	(152)
Income from shares in group undertakings		5,750,000	12,468,000
Profit on ordinary activities before taxation	2	5,749,998	12,467,848
Tax on profit on ordinary activities	4	-	-
Profit for the financial year		5,749,998	12,467,848

All activities 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 10 to 13 form part of the financial statements.

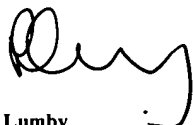
Carillion (Aspire Construction) Holdings No.2 Limited
Annual report and financial statements
Year ended 31 December 2015

Balance sheet
at 31 December 2015

	Note	2015 £	2014 £
Fixed assets			
Investments	6	<u>1</u>	<u>1</u>
		1	1
Current assets			
Debtors	7	926	926
Cash at bank and in hand		<u>19,347</u>	<u>19,349</u>
		20,273	20,275
Creditors: amounts falling due within one year	8	<u>(427)</u>	<u>(427)</u>
Net current assets		<u>19,846</u>	<u>19,848</u>
Net assets		<u><u>19,847</u></u>	<u><u>19,849</u></u>
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		<u>19,846</u>	<u>19,848</u>
Equity shareholder's funds		<u><u>19,847</u></u>	<u><u>19,849</u></u>

The notes on pages 10 to 13 form part of the financial statements.

These financial statements were approved by the Board of Directors on 23 September 2016 and were signed on its behalf by :



RG Lumby
Director

Company registered number 5704108

Statement of changes in equity
for the year ended 31 December 2015

	Called up share capital	Profit and loss reserve	Total
	£	£	£
Balance at 1 January 2014	<u>1</u>	<u>20,000</u>	<u>20,001</u>
Profit for the year	-	12,467,848	12,467,848
Transactions with owners			
Contributions by and distributions to owners			
Dividends paid	-	(12,468,000)	(12,468,000)
Balance at 31 December 2014	<u>1</u>	<u>19,848</u>	<u>19,849</u>
Profit for the year	-	5,749,998	5,749,998
Transactions with owners			
Contributions by and distributions to owners			
Dividends paid	-	(5,750,000)	(5,750,000)
Balance at 31 December 2015	<u>1</u>	<u>19,846</u>	<u>19,847</u>

Carillion (Aspire Construction) Holdings No.2 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 preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

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 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. The transition to FRS 101 has not had an impact on the profit for the year or net assets.

In these financial statements, the company has applied the exemptions under FRS101 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;
- disclosures in respect of capital management;
- the effect of new but not yet effective IFRSs;
- an additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- disclosures in respect of compensation of key management personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Carillion plc include the equivalent disclosures, the company has also taken the exemptions under FRS101 available in respect of the following disclosures:

- certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS7 Financial Instrument disclosures.

The financial statements are presented in pounds sterling. They are prepared on the historical cost basis except where certain specified assets and liabilities are stated at their fair value as noted below.

Going concern

The company's business activities are set out in the Business Review section of the Directors' 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.

Group financial statements

The company is exempt under Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements and deliver them to the Registrar of Companies. The financial statements therefore present information about the company as an individual undertaking and not about its group. The company is included within the consolidated financial statements of Carillion plc, the company's ultimate parent undertaking.

Fixed asset investments

Fixed asset investments are stated at cost less provisions for any impairment in the carrying value of the investment.

Taxation

Income tax comprises current and deferred tax. Income tax is recognised in the profit and loss account except to the extent that it relates to items 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.

Dividends paid

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 which do not meet these criteria are disclosed in the notes to the financial statements.

Notes (continued)

2. Profit on ordinary activities before taxation

The audit fee for the year ended 31 December 2015, amounting to £700 (2014: £700) 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. Directors' remuneration and employees

The directors did not receive any remuneration during the year (2014: £Nil). During the year, the company did not have any employees (2014: nil).

4. Tax on profit on ordinary activities

(a) Analysis of taxation charge in the year

	2015 £	2014 £
UK corporation tax		
Current tax	-	-

(b) Reconciliation of current tax charge

The current tax charge for the year is lower than the standard rate of 20.25% (2014: 21.5%). The differences are explained below:

	2015 £	2014 £
Total tax reconciliation		
Profit on ordinary activities before taxation	5,749,998	12,467,848
Tax on profit on ordinary activities at 20.25% (2014: 21.5%)	1,164,375	2,680,587
Effects of:		
Dividends from UK companies	(1,164,375)	(2,680,620)
Group relief not paid for	-	33
Total tax charge for the year	-	-

(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. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015.

An additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future current tax charge accordingly.

5. Equity dividends

	2015 £	2014 £
Equity shares:		
Dividends paid in respect of single ordinary share	5,750,000	12,468,000

Notes (continued)

6. Investments

	Share in subsidiary undertakings £
At beginning and end of year	<u>1</u>

Name of subsidiary undertaking	Ordinary shares capital held	Nature of business	Country of incorporation
Carillion (Aspire Construction) Holdings Limited	100%	Construction	Great Britain

7. Debtors

	2015 £	2014 £
Other debtors	<u>926</u>	<u>926</u>
	<u>926</u>	<u>926</u>

8. Creditors: amounts falling due within one year

	2015 £	2014 £
Accruals and deferred income	<u>427</u>	<u>427</u>

9. Called up share capital

	2015 £	2014 £
Allotted, called up and fully paid:		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

10. Related party transactions

As a wholly-owned subsidiary of Carillion plc, the company has taken advantage of the exemption under FRS 101 not to provide information on related party transactions with other undertakings within the Carillion Group. Note 11 gives details of how to obtain a copy of the published financial statements of Carillion plc.

11. 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.