

Carillion (Aspire Construction) Holdings No.2 Limited

Annual report and financial statements

Registered number 5704108

For the year ended 31 December 2016

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Contents

Strategic report	3
Directors' report	4
Statement of directors' responsibilities in respect of the directors' report and the financial statements	5
Independent auditor's report to the members of Carillion (Aspire Construction) Holdings No.2 Limited	6
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Notes	10

Strategic report

The directors present their annual report together with the audited financial statements for the year ended 31 December 2016.

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 £875,000 (2015: £5,749,998). The Company has paid a dividend for the year of £875,000 (2015: £5,750,000).

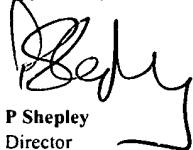
Key performance indicators

The Carillion Group manages its operations on a divisional basis. For this reason, the Company's directors 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 directors believe 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


P Shepley
Director

21/9/17

and signed on its behalf by:

84 Salop Street
Wolverhampton
WV3 0SR

Directors' report

Directors

The directors serving during the year and subsequently were:

AH Moore
NB Kingon
GB Cuthbertson
RG Lumby (resigned 20 February 2017)
PJ McKenna (resigned 8 June 2017)
P Shepley (appointed 20 February 2017)
A Mootoosamy (appointed 21 August 2017)

Employees

During the current year, the Company did not have any employees (2015: nil).

Political donations

The Company made no political donations during the year (2015: £nil).

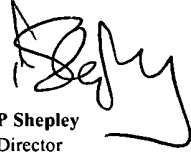
Disclosure of information to the auditor

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



P Shepley
Director

21/9/17

and signed on its behalf by:

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 2016 set out on pages 7 to 14. 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 2016 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 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.

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
- 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
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

21 September 2017

Profit and loss account
for the year ended 31 December 2016

	<i>Note</i>	2016 £'000	2015 £'000
Administrative expenses		-	-
Operating result		-	-
Income from shares in group undertakings		<u>875</u>	<u>5,750</u>
Profit on ordinary activities before taxation	2	875	5,750
Tax on profit on ordinary activities	4	-	-
Profit for the financial year		<u>875</u>	<u>5,750</u>

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 14 form part of the financial statements.

Balance sheet
at 31 December 2016

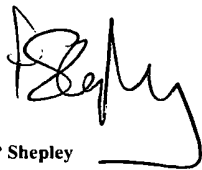
	Note	£'000	2016 £'000	£'000	2015 £'000
Fixed assets					
Investments	6		-	-	-
			-	-	-
Current assets					
Debtors	7	1	1	1	1
Cash at bank and in hand		19	19	19	19
		20	20	20	20
Creditors: amounts falling due within one year	8	-	-	-	-
Net current assets			20	20	20
Net assets			20	20	20
Capital and reserves					
Called up share capital	9	-	-	-	-
Profit and loss account		20	20	20	20
Equity shareholder's funds			20	20	20

The notes on pages 10 to 14 form part of the financial statements.

These financial statements were approved by the Board of Directors on behalf by :

21/9/

2017 and were signed on its



P Shepley
Director

Company registered number 5704108

Statement of changes in equity
for the year ended 31 December 2016

	Called up share capital £'000	Profit and loss reserve £'000	Total £'000
Balance at 1 January 2015	-	20	20
Profit for the year	-	5,750	5,750
Transactions with owners			
Contributions by and distributions to owners			
Dividends paid	-	(5,750)	(5,750)
Balance at 31 December 2015	-	20	20
Profit for the year	-	875	875
Transactions with owners			
Contributions by and distributions to owners			
Dividends paid	-	(875)	(875)
Balance at 31 December 2016	-	20	20

The notes on pages 10 to 14 form part of the financial statements.

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

Carillion (Aspire Construction) Holdings No 2 Limited (the "Company") is a Company incorporated and domiciled in the UK.

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.

The Company's ultimate parent undertaking, Carillion plc includes the Company in its consolidated financial statements. The consolidated financial statements of Carillion plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 84 Salop Street, Wolverhampton, WV3 0SR.

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 Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

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

No judgements have been made by the directors, in the application of these accounting policies that have significant effect on the financial statements and there are no estimates with a significant risk of material adjustment in the next year.

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 Strategic report.

The Company is forecasted to continue to be profitable and cash generative and has net assets of £20,000 as at 31 December 2016. Based on this financial position 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.

1. Principal accounting policies (continued)

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 2016, amounting to £700 (2015: £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 performed no material qualifying services for the Company in respect of the current period and therefore received no emoluments.

4. Tax on profit on ordinary activities

(a) Analysis of taxation charge in the year

	2016 £'000	2015 £'000
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% (2015: 20.25%). The differences are explained below:

	2016 £'000	2015 £'000
Total tax reconciliation		
Profit on ordinary activities before taxation	875	5,750
Tax on profit on ordinary activities at 20.00% (2015: 20.25%)	(175)	1,164
Effects of:		
Dividends from UK companies	175	(1,164)
Total tax charge for the year	-	-

(c) Factors that may affect future tax charges

The UK corporation tax rate reduced from 21% to 20% with effect from 1 April 2015. Further reductions to 19% (effective from 1 April 2017) and 17% (effective from 1 April 2020) were substantively enacted on 26 October 2015 and 6 September 2016 respectively.

5. Equity dividends

	2016 £'000	2015 £'000
Equity shares:		
Dividends paid in respect of single ordinary share	875	5,750

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

The registered office of the subsidiary is 84 Salop Street, Wolverhampton, WV3 0SR.

7. Debtors

	2016 £'000	2015 £'000
Other debtors	<u>1</u>	<u>1</u>
	<u>1</u>	<u>926</u>

8. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Accruals and deferred income	<u>-</u>	<u>-</u>

9. Called up share capital

	2016 £'000	2015 £'000
Allotted, called up and fully paid:		
1 ordinary share of £1 each	<u>-</u>	<u>-</u>

Notes (continued)

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.