

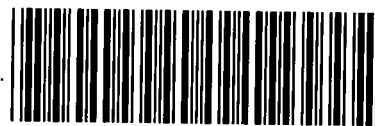
Egis Road Operation (UK) Ltd

Registered number: 06693340

Directors' report and financial statements

For the year ended 30 September 2016

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EGIS ROAD OPERATION (UK) LTD

COMPANY INFORMATION

Directors	Malcolm Carr Steven Preece Jean Pohn
Company secretary	Martin Miller
Registered number	06693340
Registered office	Wilberforce House Station Road London NW4 4QE
Independent auditor	Mazars LLP Chartered accountants & Statutory auditor Times House Throwley Way Sutton Surrey SM1 4JQ

EGIS ROAD OPERATION (UK) LTD

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EGIS ROAD OPERATION (UK) LTD

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

Introduction

The directors, in preparing this strategic report, have complied with S414C of the Companies Act 2006.

Business review

The company continues to operate within the CPS environment and provides support and solutions for the Dartford River Crossing and the M25. With the demise of the tolling and the introduction of the free flow system the directors do expect to see a change in the current management programme project. During the year the contract to operate the Dartford River Crossing was ceased and the joint arrangement no longer operates this scheme.

Principal risks and uncertainties

The directors keep under review the risks to which the company is exposed and adjust their management and controls as necessary. The principal risks arise from its participation in a joint arrangement that has secured a 30 year contract for motorway operation and maintenance. The directors' assessment of the risks to the company, which arise mainly from the joint arrangement, are as follows:

Financial performance

The company is exposed to the financial performance of the joint arrangement over which it does not have direct control. The Egis Group has representatives on the management board of the joint arrangement. Through those representatives and receipt of regular financial information from the joint arrangement, the company is able to monitor and influence the performance of the joint arrangement. The joint arrangement has been subjected to a non-statutory audit by an independent firm of auditors during this period. The board of directors also sets budgets for company overheads and monitors expenditure.

Income

The joint arrangement obtains the majority of its income from a fixed contract. This income is increased incrementally for inflation. Work required under the contract includes periodic repair or replacement of major parts of the motorway system. Payment for these periodic outgoings is received in regular instalments. The joint arrangement is exposed to any shortfall between amounts received (plus accumulated interest) and actual cost of this cyclical work. The joint arrangement performs continuous reappraisal of optimum points for repair or replacement of the assets, and ensures reserves are sufficient to cover any potential deficit.

Credit risk

The directors consider credit risk to income to be negligible as the ultimate customer is Highways England (a government department). The funds accruing for the periodic repair or replacement of assets are held with UK and international banks. As these deposits exceed government guarantees, the joint arrangement is exposed to the risk of default by any of the holding institutions.

Liquidity

The directors consider that the company has sufficient funds available to pursue its principal activity.

Exchange rates

The company is exposed to exchange rate risks on the cost of services provided by its parent and other Egis Group companies in Europe.

EGIS ROAD OPERATION (UK) LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

Principal risks and uncertainties (continued)

Supplier payment policy

Suppliers are paid in line with agreed credit terms.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and mailings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. Employees are eligible for various benefits (e.g. Target related bonuses, pension plan, staff discount).

Financial key performance indicators

The directors consider the key indicator of performance to be Profit after Tax as the key driver for the shareholders is the payment of dividends. The company has made a profit of £730,815 in the year and has distributable reserves of £1,961,476, following the payment of a dividend of £950,000 in the year.

Other key performance indicators

The performance of the company is also measured by the number of staff members that it seconded to the joint venture in which it is interested. Following a redundancy program early in the year, the company currently has 54 employees seconded to the joint venture, compared to 71 in 2015.

This report was approved by the board and signed on its behalf.

.....
Jean Pohl
Director

Date:

12/04/2017

EGIS ROAD OPERATION (UK) LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

The directors present their report and the financial statements for the year ended 30 September 2016.

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £730,815 (2015 - £658,813).

During the year, the company paid dividends of £950,000 (2015: £1,630,000).

Directors

The directors who served during the year were:

Malcolm Carr
Steven Preece
Jean Pohn

Future developments

The Directors expect the M25 operation and maintenance contract to continue. The detailed obligations under the contract do evolve to meet the changing needs of the Highways Agency and of motorway users. The impact of such changes on the company cannot be foreseen.

EGIS ROAD OPERATION (UK) LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2016

Matters covered in the strategic report

The company has chosen in accordance with companies Act 2006, s414C(11) to set out in the company's strategic report in formation required by Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on pages 1 to 2. These matters relate to financial risk management objectives and policies.

Disclosure of Information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Jean Pohnu
Director

Date:

12/04/2017

EGIS ROAD OPERATION (UK) LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EGIS ROAD OPERATION (UK) LTD

We have audited the financial statements of Egis Road Operation (UK) Ltd for the year ended 30 September 2016 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 - The Financial Reporting Standard Applicable in the United Kingdom and Republic of Ireland.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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. 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.

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 the 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 September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the 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.

EGIS ROAD OPERATION (UK) LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EGIS ROAD OPERATION (UK) LTD

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.

Elisabeth Maxwell

Elisabeth Maxwell (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered accountants and Statutory auditor

Times House
Throwley Way
Sutton
Surrey
SM1 4JQ

Date: 31st May 2017

EGIS ROAD OPERATION (UK) LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

	Note	2016 £	2015 £
Turnover	4	12,356,952	12,061,183
Cost of sales		(10,956,236)	(10,858,892)
Gross profit		1,400,716	1,202,291
Administrative expenses		(453,147)	(364,516)
Operating profit	5	947,569	837,775
Interest receivable and similar income	8	46,500	43,120
Interest payable and expenses	9	(80,550)	(52,200)
Profit before tax		913,519	828,695
Tax on profit	10	(182,704)	(169,882)
Profit for the year		730,815	658,813
Other comprehensive income		-	-
Total comprehensive income for the year		730,815	658,813

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

The notes on pages 10 to 19 form part of these financial statements.

EGIS ROAD OPERATION (UK) LTD
REGISTERED NUMBER: 06693340

BALANCE SHEET
AS AT 30 SEPTEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Current assets			
Debtors: amounts falling due within one year	12	2,299,462	2,346,866
Cash at bank and in hand	13	306,130	357,246
		<u>2,605,592</u>	<u>2,704,112</u>
Creditors: amounts falling due within one year	14	(644,016)	(523,351)
Net current assets		<u>1,961,576</u>	<u>2,180,761</u>
Total assets less current liabilities		<u>1,961,576</u>	<u>2,180,761</u>
 Net assets excluding pension asset		<u>1,961,576</u>	<u>2,180,761</u>
Net assets		<u>1,961,576</u>	<u>2,180,761</u>
 Capital and reserves			
Called up share capital	16	100	100
Profit and loss account		<u>1,961,476</u>	<u>2,180,661</u>
		<u>1,961,576</u>	<u>2,180,761</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

12/04/2017

.....
Jean Pohn
 Director

The notes on pages 10 to 19 form part of these financial statements.

EGIS ROAD OPERATION (UK) LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2015	100	2,180,661	2,180,761
Comprehensive Income for the year			
Profit for the year	-	730,815	730,815
Other comprehensive Income for the year			
	-	-	-
Total comprehensive Income for the year	-	730,815	730,815
Dividends: Equity capital	-	(950,000)	(950,000)
Total transactions with owners	-	(950,000)	(950,000)
At 30 September 2016	100	1,961,476	1,961,576

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2015

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 October 2014	100	3,151,848	3,151,948
Comprehensive Income for the year			
Profit for the year	-	658,813	658,813
Other comprehensive Income for the year			
	-	-	-
Total comprehensive Income for the year	-	658,813	658,813
Dividends: Equity capital	-	(1,630,000)	(1,630,000)
Total transactions with owners	-	(1,630,000)	(1,630,000)
At 30 September 2015	100	2,180,661	2,180,761

The notes on pages 10 to 19 form part of these financial statements.

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. General information

Egis Road Operations UK Ltd is a limited company incorporated in the United Kingdom. The address of its registered office is Wilberforce House, Station Road, London, NW4 4QE, United Kingdom.

The principal activity of the company is the joint management, through its participation in a joint arrangement, of the operation and maintenance of motorways.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of Egis Group SA as at 30 September 2016 and these financial statements may be obtained from 15 avenue du Centre, CS 20538, Guyancourt, 78286, Saint-Quentin-en-Yvelines, CEDEX, France.

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial Instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. Accounting policies (continued)

2.6 Financial instruments (continued)

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within Interest payable.

2.11 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.13 Taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The critical judgements that the directors have made in the process of applying the company's accounting policies in the statutory financial statements have no material effect.

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

4. Turnover

An analysis of turnover by class of business is as follows:

	2016 £	2015 £
Revenue	12,317,950	12,052,296
Amounts recharged to group companies	39,002	8,887
	<u>12,356,952</u>	<u>12,061,183</u>

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	12,317,950	12,052,296
Rest of Europe	39,002	8,887
	<u>12,356,952</u>	<u>12,061,183</u>

5. Operating profit

The operating profit is stated after charging:

	2016 £	2015 £
Exchange differences	4,046	265
Defined contribution pension cost	26,878	11,892
	<u>30,924</u>	<u>12,157</u>

During the year, no director received any emoluments (2015 - £NIL).

6. Auditor's remuneration

Fees payable to the company's auditor and its associates in respect of:

	2016	2015
Audit	30,000	28,000
Taxation compliance services	3,750	3,750
All other services	3,000	2,000
	<u>36,750</u>	<u>33,750</u>

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

7. Employees

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,993,951	3,316,670
Social security costs	209,282	246,074
Cost of defined contribution scheme	26,878	11,892
	<u>2,230,111</u>	<u>3,574,636</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Directors	2	2
Operational	54	69
	<u>56</u>	<u>71</u>

8. Interest receivable

	2016 £	2015 £
Other interest receivable	46,500	43,120
	<u>46,500</u>	<u>43,120</u>

9. Interest payable and similar charges

	2016 £	2015 £
Other	80,550	52,200
	<u>80,550</u>	<u>52,200</u>

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

10. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	182,704	169,882
	<u>182,704</u>	<u>169,882</u>
Taxation on profit on ordinary activities	<u>182,704</u>	<u>169,882</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20.5%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	<u>913,519</u>	<u>828,695</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.5%)	182,939	169,882
Effects of:		
Non taxable income	<u>(235)</u>	<u>-</u>
Total tax charge for the year	<u>182,704</u>	<u>169,882</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 21% to 20% took effect from 1 April 2015. A further reduction from 20% to 19% was substantively enacted in July 2015 and takes effect from 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020, has been announced but has not been substantively enacted.

11. Dividends

	2016 £	2015 £
Dividends paid on equity capital	950,000	1,630,000
	<u>- 950,000</u>	<u>- 1,630,000</u>

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. Debtors

	2016 £	2015 £
Trade debtors - due from joint venture	327,208	292,175
Amounts owed by joint ventures	1,967,852	2,043,451
Prepayments and accrued income	4,402	11,240
	<u>2,299,462</u>	<u>2,346,866</u>

13. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	306,130	357,246
	<u>306,130</u>	<u>357,246</u>

14. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	92,658	104,761
Corporation tax	108,535	93,931
Other taxation and social security	178,521	166,315
Other creditors	44,188	39,265
Accruals and deferred income	220,114	119,079
	<u>644,016</u>	<u>523,351</u>

Included in accruals above are amounts payable to fellow subsidiaries totaling £124,306.

EGIS ROAD OPERATION (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

15. Financial Instruments

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value through profit or loss	306,130	357,246
Financial assets that are debt instruments measured at amortised cost	2,295,060	2,335,626
	<u>2,601,190</u>	<u>2,692,872</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(313,312)	(229,350)
	<u>(313,312)</u>	<u>(229,350)</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalent.

Financial assets that are debt instruments measured at amortised cost comprise trade and other receivables, amounts due from joint venture, and other loans and receivables.

Financial liabilities measured at amortised cost comprise trade and other payables and amounts due to group companies.

16. Share capital

	2016 £	2015 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

17. Pension commitments

The company operates a defined contribution plan for all employees of the company. Contributions made into this plan are paid by the company at rates specified in the rules of the schemes. The total amount recognised in profit and loss during the year was £33,377 (2015: £34,456).

As at the reporting date, amounts payable of £6,339 (2015: £5,857) had not been paid over to the plan.

18. Controlling party

The ultimate parent company is La Caisse des dépôts et Consignations, a company incorporated in France.

EGIS ROAD OPERATION (UK) LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2016**

19. First time adoption of FRS 102

This is the first financial year that the company has presented its financial statements in accordance with FRS 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland ("FRS 102").

For financial years up to and including the year ending 30 September 2015, the company prepared its financial statements in accordance with previous UK GAAP.

The date of transition to FRS 102 is therefore 1 January 2015. In carrying out the transition to FRS 102, none of the optional exemptions permitted by Section 35 Transition to this FRS have been applied.

There have been no changes to accounting policies or accounting treatments required to be made upon transition to FRS 102. Accordingly the company's opening equity position as at the 1 January 2015 and its financial position and performance for the year ended 31 December 2015 are unchanged from that previously presented under previously extant UK GAAP.