Bilfinger Construction UK Limited

Annual Report

For the year ended 31 December 2014

Registered No: 02418086
Directors
Christoph Schaefer
Wolfgang S Eder

Company Secretary
Ag Secretarial Limited

Auditors
Ernst & Young LLP
10 George Street
Edinburgh
EH2 2DZ

Bankers
Deutsche Bank AG London
6 Bishopsgate
London
EC2N 4DA

Solicitors
Pinsent Masons LLP
Third Floor Quay 2
139 Fountainbridge
Edinburgh
EH3 9QG

Registered Office
100 Barbirolli Square
Manchester
M2 3AB
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic Report</td>
<td>1 – 2</td>
</tr>
<tr>
<td>Directors’ Report</td>
<td>3 – 4</td>
</tr>
<tr>
<td>Directors’ Responsibilities Statement</td>
<td>5</td>
</tr>
<tr>
<td>Profit and Loss Account</td>
<td>8</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>9</td>
</tr>
<tr>
<td>Notes to the Financial Statements</td>
<td>10 - 20</td>
</tr>
</tbody>
</table>
Strategic Report

The Directors present their strategic report for the year ended 31 December 2014.

Principal Activities

The principal activities of the company are construction and civil engineering projects. Due to strategic decisions made by the Bilfinger SE board, the group is stepping out of the construction and civil engineering business. Therefore, Bilfinger Construction UK will not seek to acquire any new projects. Nevertheless, the company will continue to fulfill various obligations including maintenance to the ETN and managing the defect liability period for the ETN, M80, M1 Westlink and various Legacy building projects. To administer this the company will maintain an appropriate set-up for the next years.

Key Performance Indicators (KPIs)

<table>
<thead>
<tr>
<th></th>
<th>2014 £’000</th>
<th>2013 £’000</th>
<th>Change %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>20,320</td>
<td>41,494</td>
<td>-51%</td>
</tr>
<tr>
<td>Earnings Before Interest and Tax</td>
<td>14,715</td>
<td>17,348</td>
<td>-15%</td>
</tr>
</tbody>
</table>

The principal KPIs at a company level are shown above. KPIs are set at various levels throughout the Bilfinger SE group and the company down to a project level and are closely monitored to control the critical aspects of the company’s financial performance.

Review of Business and Future Developments

The profit and loss account for the year is set out on page 8.

The results for the year are in line with the expectations of the Directors.

The construction of the Edinburgh Tram project was completed in 2014 upon which the company entered into a ten year maintenance contract with the same client.

The company continues to maintain low levels of cash at bank with all funds being made available from and / or remitted to the ultimate parent company through a cash pooling arrangement.

Financial Risk Management

The company recognises and manages various financial risks, including liquidity, credit, interest rate and foreign exchange fluctuations as well as the operational risks associated with project performance and the markets for its services and those of its suppliers.

The company and its Directors are assisted in controlling such risks by its project based management teams together with the support, monitoring and structured processes and reporting provided as a result of membership of the wider Bilfinger SE Group.

The company has implemented formalised risk and quality management processes and holds certification for these as a result of various external audits. The company and its Directors are able to utilise various specialist controlling departments within the Group as well as internal audit and legal departments. Specialist financial risk management functions can be drawn upon to manage particular identified financial risks, such as hedging of
Strategic Report (continued)

Financial Risk Management (continued)

foreign currency risk, although the company seeks to monitor and manage its cash flow so as to limit as much as possible its risk exposure whenever possible.

By order of the board (28 September 2015)

Wolfgang S Eder
Managing Director

Christoph Schäfer
Managing Director
Directors’ Report

The Directors present their report for the year ended 31 December 2014.

Dividends and Results

A profit for the financial year after taxation of £11,722,578 (2013: £17,871,388) has been realised. Interim dividends of £33,637,466 were paid to the ordinary shareholders during the year. The directors do not recommend the payment of a final dividend (2013: Nil).

Future Developments

The company’s business activities and future developments are described in the Strategic Report on page 1.

Going Concern

The Directors have rigorously assessed the appropriateness of the going concern basis in relation to the company’s financial position, results and forecasts.

On this basis the Directors are satisfied that it is appropriate to prepare the financial statements on the going concern basis.

Corporate Responsibility

The company still places great emphasis on meeting it’s corporate and social responsibilities with a particular focus on ensuring the health and safety of its employees, partners, subcontractors, clients and the public. The company seeks to perform and manage its work so as to have the minimum impact on the environment in which it operates.

In this regard the company operates a Quality Management System which has been certified by BSI to ISO 9001: 2008, a Health and Safety Management System which has been certified by BSI to BS OHSAS 18001: 2007 and an Environmental Management System which has been certified by BSI to ISO 14001: 2004.

Directors and Company Secretary

The Directors who held office during the year and up to the date of signing these financial statements are given below:

- Wolfgang S Eder (appointed 1 October 2014)
- Christoph Schaefer (appointed 1 October 2014)
- Martin Foerder (appointed 1 October 2013, resigned 2 October 2014)
- Martin Koehler (appointed 1 October 2013, resigned 2 October 2014)

The Company Secretaries who held office during the year and up to the date of signing these financial statements were Ag Secretarial Limited.
Directors’ Report (continued)

Statement of Disclosure of Information to Auditors

The company Directors who held office at the date of approval of this annual report confirm that:

- as far as they are aware, there is no relevant audit information of which the company’s auditors are unaware;
- they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the company’s auditors are aware of that information.

This report has been prepared in accordance with the Companies Act 2006.

By order of the board (28 September 2015)

[Signatures]

Wolfgang S Eder
Managing Director

Christoph Schäfer
Managing Director
Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable laws 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 the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Applicable Law). The financial statements are required by law to 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 those 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 and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records that 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.
Independent Auditor's Report to the members of Bilfinger Construction UK Limited

We have audited the financial statements of Bilfinger Construction UK Limited for the year ended 31 December 2014 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 21. 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).

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report, Directors’ Report and the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the company’s affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.
Independent Auditor's Report to the members of Bilfinger Construction UK Limited (continued)

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 for which the financial statements are prepared is consistent with the financial statements.

Matters 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.

Walter Campbell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Edinburgh
28 September 2015
## Profit and Loss Account

For the year ended 31 December 2014

<table>
<thead>
<tr>
<th>Notes</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Turnover</td>
<td>2 20,320,146</td>
<td>41,494,279</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>2  (6,439,360)</td>
<td>(22,641,993)</td>
</tr>
<tr>
<td>Gross profit</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other operating income</td>
<td>3 1,284,951</td>
<td>607,603</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td></td>
<td>(450,285)</td>
</tr>
<tr>
<td>Operating profit</td>
<td>4 14,715,452</td>
<td>17,347,954</td>
</tr>
<tr>
<td>Interest receivable and similar income</td>
<td>7 242,446</td>
<td>280,496</td>
</tr>
<tr>
<td>Interest payable and similar charges</td>
<td>8  (359)</td>
<td>(12,086)</td>
</tr>
<tr>
<td>Profit on ordinary activities before taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax on profit on ordinary activities</td>
<td>9  (3,234,961)</td>
<td>255,024</td>
</tr>
<tr>
<td>Profit for the financial year</td>
<td>18 11,722,578</td>
<td>17,871,388</td>
</tr>
</tbody>
</table>

All figures in the profit and loss account are from continuing operations.

The company has no recognised gains or losses other than the results above, and therefore no separate statement of total recognised gains and losses has been presented.
**Balance Sheet**

**At 31 December 2014**

<table>
<thead>
<tr>
<th>Notes</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>11</td>
<td>2,018</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,018</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>12</td>
<td>26,179,958</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td></td>
<td>316,481</td>
</tr>
<tr>
<td></td>
<td></td>
<td>26,496,439</td>
</tr>
<tr>
<td><strong>Creditors: amounts falling due within one year</strong></td>
<td>13</td>
<td>(6,569,319)</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>14</td>
<td>19,927,120</td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td>14</td>
<td>19,929,138</td>
</tr>
<tr>
<td><strong>Provisions for liabilities and charges</strong></td>
<td>14</td>
<td>(4,206,560)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>14</td>
<td>15,722,578</td>
</tr>
</tbody>
</table>

**Capital and reserves**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Called up share capital</td>
<td>17</td>
<td>4,000,000</td>
</tr>
<tr>
<td>Capital contribution</td>
<td>18</td>
<td>-</td>
</tr>
<tr>
<td>Profit and loss account</td>
<td>18</td>
<td>11,722,578</td>
</tr>
<tr>
<td><strong>Total equity shareholder’s funds</strong></td>
<td>19</td>
<td>15,722,578</td>
</tr>
</tbody>
</table>

These financial statements were approved by the Board of Directors and authorised for issue on 28 September 2015.

Signed on behalf of the Board of Directors

Wolfgang S Eder  
Managing Director  

Christoph Schäfer  
Managing Director
Notes to the Financial Statements
At 31 December 2014

1. Principal Accounting Policies

The financial statements are prepared on the going concern basis, under the historical cost
convention, and in accordance with the Companies Act 2006 and applicable accounting
standards in the United Kingdom. The principal accounting policies, which have been applied
consistently throughout the year, are set out below.

Turnover and Long Term Contracts

Turnover and results on long term contracts are accounted for in accordance with SSAP 9 using
the percentage of completion method.

All revenue recognised during the period relates solely to construction work. Turnover for such
contracts is stated at the cost appropriate to their stage of completion plus profits which are
attributable, less amounts recognised in previous years.

The amount of profit attributable to the stage of completion of a long term contract is recognised,
less any amounts recognised in previous years, when the outcome of individual contracts can be
foreseen with reasonable certainty. Provision is made for any losses as soon as they are
foreseen based on an estimate of the current value of future costs and revenues.

Contract work in progress is stated at cost incurred, less those transferred to the profit and loss
account and after deducting any foreseeable losses. Amounts recoverable on contracts are
included in trade debtors and represents turnover recognised in excess of payments received.
Payments received in excess of amounts matched with turnover and offset against long-term
contract balances are separately disclosed within creditors as advances on long term contracts.

Related Party Transactions

FRS 8 'Related Party Transactions' requires the disclosure of the details of material
transactions between the reporting entity and related parties. The company has taken
advantage of exemptions under paragraph 3 (c) of FRS 8 not to publish details of related
party transactions and balances which will be eliminated upon consolidation with its ultimate
parent undertaking, namely Bilfinger SE. The ultimate consolidated accounts of Bilfinger SE
are publicly available.

Joint Arrangements

These financial statements include the company and its share in various unincorporated joint
arrangements.

The company holds an interest in an unincorporated joint arrangement known as Highway
Management Construction (M80). The company holds a 50% share with the remainder held
equally by Northstone (NI) Limited (25%) and John Graham Construction Limited (formerly
John Graham (Dromore) Limited) (25%). The Directors consider this to be a joint arrangement
that is not an entity as defined by FRS 9 – Associates and Joint Ventures and
Notes to the Financial Statements  
At 31 December 2014  

1. Principal Accounting Policies (continued)  

Joint Arrangements (continued) 

have recorded the company’s share of the joint arrangement assets and liabilities as at 31 December 2014, and its result for the year then ended, in these financial statements. 

Tangible Fixed Assets 

The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition, less accumulated depreciation. Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. 

Where assets are acquired for a specific project their cost is written off over the life of the project. 

For other assets, the principal annual rates used for depreciation are: 

<table>
<thead>
<tr>
<th>Asset</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant and machinery</td>
<td>20</td>
</tr>
<tr>
<td>Company vehicles</td>
<td>33</td>
</tr>
<tr>
<td>IT and communications equipment</td>
<td>33</td>
</tr>
<tr>
<td>Fixtures and fittings</td>
<td>20</td>
</tr>
</tbody>
</table>

Cash Flow Statement 

The cash flows of the company are included in the consolidated cash flows of the ultimate parent company, namely Bilfinger SE, whose consolidated accounts are publicly available. The company is wholly owned by its parent company, consequently the company is exempt under the terms of FRS1 “Cash flow statements” from publishing a separate cash flow statement. 

Operating Leases 

Costs in respect of operating leases are charged on a straight line basis over the lease term directly to the profit and loss account. 

Deferred Taxation 

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in future have occurred at the balance sheet date. A deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.
Notes to the Financial Statements
At 31 December 2014

1. Principal Accounting Policies (continued)

Deferred Taxation (continued)

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

Foreign Currencies

Monetary assets and liabilities expressed in foreign currencies are translated into sterling at rates of exchange ruling at the date of the balance sheet. Transactions in foreign currency are converted to sterling at the rate ruling at the date of the transaction. All differences on exchange are taken to the profit and loss account.

Pension Costs

The company makes defined contribution payments to employees' personal pension plans. All costs are charged to the profit and loss account as they fall due for payment. The company is not liable for any other post-retirement benefits.

2. Turnover and Gross Profit

<table>
<thead>
<tr>
<th></th>
<th>Company's own result</th>
<th>Share of result of joint arrangement</th>
<th>Total 2014</th>
<th>Company's own result</th>
<th>Share of result of joint arrangement</th>
<th>Total 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>20,320,146</td>
<td></td>
<td>20,320,146</td>
<td>41,511,265</td>
<td>(16,986)</td>
<td>41,494,279</td>
</tr>
<tr>
<td>Cost of Sales</td>
<td>(6,437,075)</td>
<td>(2,285)</td>
<td>(6,439,360)</td>
<td>(22,651,524)</td>
<td>9,531</td>
<td>(22,641,993)</td>
</tr>
<tr>
<td>Gross Profit/ (Loss)</td>
<td>13,883,071</td>
<td>(2,285)</td>
<td>13,880,786</td>
<td>18,859,741</td>
<td>(7,455)</td>
<td>18,852,286</td>
</tr>
</tbody>
</table>

The company's own results and the company's share of the results of the unincorporated joint arrangement known as Highway Management Construction (M80) are shown in the table above. The joint arrangement is in its final stages and no further turnover will be generated.
Notes to the Financial Statements
At 31 December 2014

3. Other Operating Income

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contribution from group companies relating to administrative expenses</td>
<td>1,210,575</td>
<td>98,599</td>
</tr>
<tr>
<td>Other income</td>
<td>74,375</td>
<td>509,004</td>
</tr>
<tr>
<td></td>
<td>1,284,950</td>
<td>607,603</td>
</tr>
</tbody>
</table>

4. Operating Profit

Operating profit is stated after charging / (crediting):

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation of owned tangible fixed assets</td>
<td>58,265</td>
<td>190,430</td>
</tr>
<tr>
<td>Loss/(Profit) on disposal of fixed assets</td>
<td>8,412</td>
<td>(32,042)</td>
</tr>
<tr>
<td>Operating lease charges – land and buildings</td>
<td>29,219</td>
<td>137,728</td>
</tr>
<tr>
<td>Operating lease charges – other</td>
<td>8,809</td>
<td>16,190</td>
</tr>
<tr>
<td>Fees paid to the company’s auditors and their associates:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statutory audit</td>
<td>29,514</td>
<td>35,657</td>
</tr>
<tr>
<td>Taxation services</td>
<td>5,013</td>
<td>2,250</td>
</tr>
<tr>
<td>Foreign exchange losses</td>
<td>26,754</td>
<td>22,941</td>
</tr>
</tbody>
</table>

5. Directors’ Emoluments

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate emoluments (including benefits in kind)</td>
<td>389,686</td>
<td>649,173</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>-</td>
<td>20,111</td>
</tr>
<tr>
<td>Compensation for loss of office</td>
<td>-</td>
<td>61,000</td>
</tr>
<tr>
<td></td>
<td>389,686</td>
<td>730,284</td>
</tr>
</tbody>
</table>

These amounts include costs that are recharged by Bilfinger Infrastructure GmbH to Bilfinger Construction UK Limited. At the balance sheet date retirement benefits were accruing for no (2013: Nil) directors.
Notes to the Financial Statements
At 31 December 2014

5. Directors’ Emoluments (continued)

Director’s emoluments (including benefits in kind) for the highest paid director include:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate emoluments</td>
<td>£389,686</td>
<td>£474,361</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>-</td>
<td>£15,144</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£389,686</td>
<td>£489,505</td>
</tr>
</tbody>
</table>

6. Employee Information

The average weekly number of persons employed by the company including executive directors during the year is analysed below:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Site supervision and administration</td>
<td>15</td>
<td>50</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment costs – all employees including executive directors:</td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>£1,258,737</td>
<td>£3,225,114</td>
</tr>
<tr>
<td>Social security costs</td>
<td>£100,550</td>
<td>£396,104</td>
</tr>
<tr>
<td>Pension Contributions</td>
<td>£30,875</td>
<td>£100,934</td>
</tr>
</tbody>
</table>

|                        | 1,390,162 | 3,722,152 |

In addition redundancy costs of £9,375 (2013: £112,890) were incurred.

The pension is a group stakeholder pension plan with the company contributing defined contributions at 5% of gross salary.

7. Interest Receivable and Similar Income

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest on amounts owed by group undertakings</td>
<td>£242,446</td>
<td>£280,496</td>
</tr>
</tbody>
</table>

8. Interest Payable and Similar Charges

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest payable to group undertaking</td>
<td>£359</td>
<td>£12,086</td>
</tr>
</tbody>
</table>
9. Tax on Profit on Ordinary Activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current tax</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>UK corporation tax</td>
<td>3,175,368</td>
<td>143,685</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td>478</td>
<td>(479)</td>
</tr>
<tr>
<td>Total current tax (note 9(b))</td>
<td>3,175,846</td>
<td>143,206</td>
</tr>
<tr>
<td>Deferred tax</td>
<td>59,115</td>
<td>(398,230)</td>
</tr>
<tr>
<td></td>
<td>3,234,961</td>
<td>(255,024)</td>
</tr>
</tbody>
</table>

(b) Factors affecting current tax charge

The tax assessed for the year differs from the standard rate of corporation tax in the United Kingdom. The differences are explained below:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit on ordinary activities before tax</td>
<td>14,957,539</td>
<td>17,616,364</td>
</tr>
<tr>
<td>Multiplied by the standard rate of corporation tax in the United Kingdom of 21.49% (2013: 23.25%)</td>
<td>3,214,846</td>
<td>4,095,805</td>
</tr>
<tr>
<td>Expenses not deductible for tax purposes</td>
<td>3,672</td>
<td>60,859</td>
</tr>
<tr>
<td>Difference between depreciation and capital allowances</td>
<td>(36,092)</td>
<td>(37,250)</td>
</tr>
<tr>
<td>Other timing differences</td>
<td>(7,058)</td>
<td>(904,829)</td>
</tr>
<tr>
<td>Prior period adjustment</td>
<td>478</td>
<td>(479)</td>
</tr>
<tr>
<td>Utilisation of losses carried forward</td>
<td></td>
<td>(3,070,900)</td>
</tr>
<tr>
<td>Tax on profit from ordinary activities (note 9(a))</td>
<td>3,175,846</td>
<td>143,206</td>
</tr>
</tbody>
</table>

Factors that may affect future tax charges

The chancellor has announced that the main UK corporation tax rate will be reduced from the current rate of 21% which has applied from 1 April 2014, to 20% via a 1% reduction at 1 April 2015. The reduction in the corporation tax rates to 20% was included within the Finance Act that was enacted on 17 July 2013. Deferred tax has been provided at 20% (See note 15).
### 10. Dividends

<table>
<thead>
<tr>
<th>Ordinary shares</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interim paid of £8,409 (2013; Nil) per ordinary share</td>
<td>33,637,436</td>
<td></td>
</tr>
</tbody>
</table>

### 11. Tangible Fixed Assets

<table>
<thead>
<tr>
<th></th>
<th>Plant and machinery</th>
<th>Company Vehicles</th>
<th>IT and communication equipment</th>
<th>Fixtures and fittings</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost:</strong></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At 1 January 2014</td>
<td>337,966</td>
<td>35,956</td>
<td>543,191</td>
<td>946,308</td>
<td>1,863,421</td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td>337,966</td>
<td>21,078</td>
<td>101,502</td>
<td>2,855</td>
<td>463,401</td>
</tr>
</tbody>
</table>

**Accumulated depreciation:**

|                           | £                   | £                | £                               | £                     | £     |
| At 1 January 2014         | 312,541             | 22,783           | 513,485                         | 945,916               | 1,794,725 |
| Charge for the year       | 25,425              | 10,475           | 22,299                          | 66                    | 58,265 |
| Disposals                 |                     | (13,937)         | (434,543)                       | (943,127)             | (1,391,607) |
| At 31 December 2014       | 337,966             | 19,321           | 101,241                         | 2,855                 | 461,383 |

**Net book value:**

|                           | £                   | £                | £                               | £                     | £     |
| At 31 December 2014       |                     | 1,757            | 261                             |                       | 2,018 |
| At 31 December 2013       | 25,425              | 13,173           | 29,706                          | 392                   | 68,696 |
### 12. Debtors: Amounts Falling Due Within One Year

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>2,631,389</td>
<td>2,960,450</td>
</tr>
<tr>
<td>Amounts owed by group undertakings</td>
<td>22,818,969</td>
<td>59,465,404</td>
</tr>
<tr>
<td>Amounts owed by associated joint arrangements</td>
<td>1,698</td>
<td>323,199</td>
</tr>
<tr>
<td>Social security and other taxes</td>
<td>367,771</td>
<td>204,522</td>
</tr>
<tr>
<td>Deferred tax (Note 15)</td>
<td>339,115</td>
<td>398,230</td>
</tr>
<tr>
<td>Other debtors</td>
<td>21,016</td>
<td>25,530</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>-</td>
<td>60,345</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>26,179,958</strong></td>
<td><strong>63,437,680</strong></td>
</tr>
</tbody>
</table>

Amounts owed by group undertakings are interest bearing and unsecured. There is no fixed date for repayment and amounts are repayable on demand.

### 13. Creditors: Amounts Falling Due Within One Year

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>1,662,050</td>
<td>3,114,851</td>
</tr>
<tr>
<td>Advances on long term contracts</td>
<td>-</td>
<td>18,970,829</td>
</tr>
<tr>
<td>Amounts owed to joint arrangement partners</td>
<td>4,837</td>
<td>197,971</td>
</tr>
<tr>
<td>Amounts owed to group undertakings</td>
<td>477,244</td>
<td>256,414</td>
</tr>
<tr>
<td>Accrued pension contributions</td>
<td>7,334</td>
<td>7,139</td>
</tr>
<tr>
<td>Corporation tax</td>
<td>3,175,368</td>
<td>143,206</td>
</tr>
<tr>
<td>Other creditors</td>
<td>25,307</td>
<td>468,139</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>1,217,179</td>
<td>1,656,909</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,569,319</strong></td>
<td><strong>24,815,458</strong></td>
</tr>
</tbody>
</table>

Amounts owed to group undertakings are unsecured and repayable on demand and, as with amounts owed to associated joint arrangements, are interest bearing at 1% above LIBOR.
## Notes to the Financial Statements
### At 31 December 2014

### 14. Provisions for Liabilities and Charges

<table>
<thead>
<tr>
<th></th>
<th>Provisions for ongoing contracts £</th>
<th>Provisions for completed contracts £</th>
<th>Total 2014 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 January</td>
<td>715,653</td>
<td>721,705</td>
<td>1,437,358</td>
</tr>
<tr>
<td>Additions</td>
<td>2,877,451</td>
<td></td>
<td>2,877,451</td>
</tr>
<tr>
<td>Utilisation</td>
<td>(72,503)</td>
<td>(35,746)</td>
<td>(108,249)</td>
</tr>
<tr>
<td><strong>At 31 December</strong></td>
<td><strong>3,520,601</strong></td>
<td><strong>685,959</strong></td>
<td><strong>4,206,560</strong></td>
</tr>
</tbody>
</table>

Provisions for on-going contracts relate to costs that are expected to arise following the completion of construction projects, including during any specified maintenance or defects period. These provisions are accrued on the percentage of completion basis over the anticipated construction phase of these projects and include the company's share of such provisions made by Joint Arrangements and Joint Ventures.

Provisions against completed contracts relate to costs that may arise in the future from previously completed construction projects that the company undertook in the past. The company’s ultimate parent, namely Bilfinger SE, has given written assurances that should these provisions be fully utilised, the parent company will assume all responsibility for such future costs.

All provisions are made on the basis of the Directors best estimates and known costs from previous experience.

### 15. Deferred Taxation

A deferred tax asset is recognised at 31 December 2014 on the basis that there will be suitable taxable profits from which the future reversal of underlying timing differences can be deducted. This asset has been recognised at 20%.

<table>
<thead>
<tr>
<th></th>
<th>2014 £</th>
<th>2013 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation in excess of capital allowances</td>
<td>201,258</td>
<td>246,585</td>
</tr>
<tr>
<td>Other short term timing differences</td>
<td>137,857</td>
<td>151,645</td>
</tr>
<tr>
<td><strong>Total deferred tax asset carried forward (Note 12)</strong></td>
<td><strong>339,115</strong></td>
<td><strong>398,230</strong></td>
</tr>
<tr>
<td>Deferred tax asset at 01 January 2014</td>
<td>398,230</td>
<td></td>
</tr>
<tr>
<td>Profit and loss account charge</td>
<td>59,115</td>
<td></td>
</tr>
<tr>
<td>Deferred tax asset at 31 December 2014</td>
<td>339,115</td>
<td></td>
</tr>
</tbody>
</table>
Notes to the Financial Statements
At 31 December 2014

16. Joint Ventures and Other Joint Arrangements

In 2009 the company entered into a joint arrangement (50%) with Northstone (NI) Limited (trading as Farrans - 25%) and John Graham Construction Limited (formerly John Graham (Dromore) Limited) (25%) to work on the M80 Stepps to Haggs Motorway project in Scotland.

The company’s interest in this joint arrangement represents its share of the accumulated result of the joint venture and is represented by its proportionate share of the joint arrangement’s net assets.

The proportion of such assets and liabilities attributable to the company are:

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors – including balances due from partners</td>
<td>£2,770,407</td>
<td>£9,799,544</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>£237,741</td>
<td>£305,577</td>
</tr>
<tr>
<td>Creditors: Amounts falling due within one year - including balances due to partners</td>
<td>£(831,135)</td>
<td>£(1,023,581)</td>
</tr>
<tr>
<td>Provisions for liabilities and charges</td>
<td>£(685,959)</td>
<td>£(690,653)</td>
</tr>
<tr>
<td>Share of net assets attributable to the company</td>
<td>£1,491,054</td>
<td>£8,390,887</td>
</tr>
</tbody>
</table>

17. Called Up Share Capital

Authorised, allotted, called up and fully paid:

4,000,000 (2013: 4,000,000) ordinary shares of £1 each

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authorised, allotted, called up and fully paid:</td>
<td>£4,000,000</td>
<td>£4,000,000</td>
</tr>
</tbody>
</table>
Notes to the Financial Statements
At 31 December 2014

18. Reserves

<table>
<thead>
<tr>
<th>Capital Contribution Reserve</th>
<th>Profit and loss reserve</th>
<th>Total reserves</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At 1 January 2014</td>
<td>20,761,571</td>
<td>12,875,895</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>11,722,578</td>
</tr>
<tr>
<td>Dividends</td>
<td>(20,761,571)</td>
<td>(12,875,895)</td>
</tr>
<tr>
<td>At 31 December 2014</td>
<td></td>
<td>11,722,578</td>
</tr>
</tbody>
</table>

The Capital Contribution Reserve was distributed during 2014 on transfer of ownership of the company to Bilfinger Infrastructure Mannheim GmbH from Bilfinger Construction GmbH.

19. Reconciliation of Movements in Equity Shareholders' Funds

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening equity shareholders' funds</td>
<td>37,637,466</td>
<td>19,766,078</td>
</tr>
<tr>
<td>Transfer of profit for the financial year</td>
<td>11,722,578</td>
<td>17,871,388</td>
</tr>
<tr>
<td>Dividends</td>
<td>(33,637,466)</td>
<td></td>
</tr>
<tr>
<td>Closing equity shareholders' funds</td>
<td>15,722,578</td>
<td>37,637,466</td>
</tr>
</tbody>
</table>

20. Financial Commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases expiring as follows:

<table>
<thead>
<tr>
<th>Land and buildings</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td></td>
<td>£</td>
</tr>
<tr>
<td>Within one year</td>
<td>4,619</td>
</tr>
</tbody>
</table>


Bilfinger Infrastructure Mannheim GmbH is the immediate parent company and Bilfinger SE is the ultimate parent company and controlling party. Copies of the parent’s consolidated financial statements are available from Carl-Reiss Platz 1-5, 6800 Mannheim 1, Germany. Both immediate and ultimate parent companies are based in Germany.