2015 CONSOLIDATED ANNUAL REPORT

VINCI CONSTRUCTION | UK

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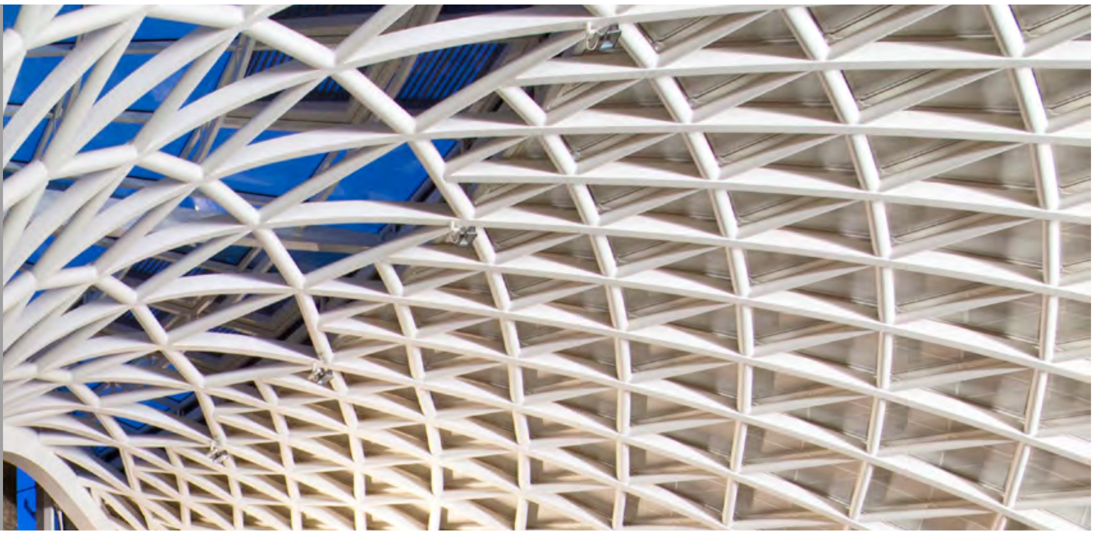
King's Cross Station Redevelopment

VINCI CONSTRUCTION UK LIMITED
CONSOLIDATED ANNUAL REPORT
FOR THE YEAR ENDED
31st DECEMBER 2015



DIRECTORS	SECRETARY	REGISTERED OFFICE
B Dupety (Chairman) J-P Bonnet C C Brennan J P Gatward C M Hamer A K Raikes	J-P Bonnet	Astral House Imperial Way Watford Hertfordshire WD24 4WW

REGISTERED NUMBER	AUDITORS	BANKERS
2295904	KPMG LLP 15 Canada Square London E14 5GL	National Westminster Bank Plc PO Box 2DG 208 Piccadilly London W1A 2DG

GROUP PROFILE

M4 Corridor Relief Road

BUILDING

VINCI Construction UK's Building division has a well-established presence in many regions in the UK: Widnes (North-West), Wakefield (North-East), Cambourne (East-Anglia), London, Reigate (South East), Cardiff & Bristol (West and Wales). The Building division is active in all sectors, particularly industrial, health, education, retail and commercial.

VINCI FACILITIES

Through VINCI Facilities, we provide soft and hard facilities management, mechanical, electrical and building maintenance solutions to both the public and private sectors across the UK and Ireland. VINCI Facilities operates in a range of sectors which include: health, local and central government, defence, social housing, retail and commercial offices. The services are delivered through five customer focussed business units; two Facilities Management and Technical Services which operate on a national basis and three regionally focussed Building Solutions businesses.

TAYLOR WOODROW

Taylor Woodrow is the civil engineering division of VINCI Construction UK. A national civil engineering contractor with a recognised brand and reputation, Taylor Woodrow is known for excellence in undertaking complex major projects. Its primary sectors of activity are: transportation – rail; depots; highways; bridges; light rail including trams; and energy - energy from waste; renewables; and nuclear decommissioning.

VINCI TECHNOLOGY CENTRE UK

The Technology Centre offers specialist consultancy and testing services in the areas of compliance, environment, materials and structures. Its main markets are nuclear, construction products/product testing and environmental.

It has an unrivalled heritage of over 50 years' research, development and innovation together with extensive facilities at its Leighton Buzzard campus that make it unique in the UK construction industry. It is a key differentiator for VINCI Construction UK and is progressing with an enhanced remit of adding value to the business by helping to improve productivity and efficiency.

TAYLOR WOODROW INTERNATIONAL

VINCI Construction UK's and Taylor Woodrow's international activity is located in the Middle East. Drawing on the expertise and resources of one of the UK's most well-known and trusted civil engineering brands, International's operations are based in Abu Dhabi, with local offices in Oman and Saudi Arabia.

VINCI UK DEVELOPMENTS

The company changed its name from VINCI Investments Limited to VINCI UK Developments Limited on 17th February 2016. It is pursuing development activities in the UK and managing PFI projects and companies for the VINCI pension fund and for other external clients. The PFI market being presently very quiet in the UK, the company will shift its priority and focus on development opportunities with the help, mainly, of the Building division. In this activity it will still consider committing and leveraging funds to finance construction and maintenance projects whenever necessary.

HEALTH, SAFETY & ENVIRONMENT

The group recognises the importance of the health and safety of all those employed in its offices and sites and operates policies to ensure that the risks associated with accidents and health are properly managed and controlled.

Nottingham University, Byron Student Accommodation

BUSINESS MODEL

The Harbour Mental Health Unit, Blackpool

VINCI Construction UK has a robust business model based on operating right across the value chain to meet a range of customer requirements. Therefore the company is developing an offer and has skills in development, funding, design & build, maintenance testing and eventual decommissioning of projects.

Through the strong regional and national presence of our building and civil engineering operations, we pursue business opportunities, mainly across England, Wales and we also have a presence in the Middle East.

Our jobs often involve complex project management and are supported by our Technology Centre, or by other VINCI companies providing high-end technical solutions. Also, through VINCI Facilities (our facilities operation), where contracts can sometimes extend over 30 years, we are able to take a long term operational approach to certain projects.

This approach is combined with a decentralised divisional structure. This independence drives accountability and autonomy and maximises entrepreneurial activity.

Together, our approach across the contractor's value chain, our geographical network and the decentralised management model forms the backbone of our company ethos. They are essential to enabling VINCI Construction UK to create value, minimise risk and achieve sustainable business success.


Stonehenge Visitor Centre

SUPPLY CHAIN MANAGEMENT

VINCI Construction UK engages with a fully compliant and diverse supply chain and has strategic partnerships with a number of large national suppliers. It supports local economies by engaging with local suppliers and SMEs. We are fully aware and embrace our responsibilities to support the local economy and our duty to create jobs and improve people's lives.

VINCI Construction UK is committed to continuous improvement, to capturing innovation, and to sustainable development. Our supply chain strategy is designed to encourage openness, trust and collaboration and we have created set processes and guidelines to ensure that these aspirations underpin the way we work.

Our supply chain partners are supported in their training and development and have access to VINCI Academy e-learning modules. VINCI Construction UK is also a partner to the Supply Chain Sustainability School, which provides free training and resource for suppliers to assess and improve their knowledge of sustainability.

VINCI Construction UK prides itself on a strong partnership culture. A skilled supply chain that feels integral to our business is most capable of helping us to deliver outstanding quality projects on time and within budget.

INNOVATION

An innovative approach to adding value is vital to continued success in the current business environment. It remains vitally important that, through innovation, we maintain our drive to improve the efficiency of everything we do in order to maintain the highest standards and value for money that our clients rightly demand.

We strive to provide innovative solutions to everyday problems and deliver projects ranging from traditional construction to the extremely complex. The UK VINCI Innovation Awards recognise our employees for the part they play in delivering these projects. Last year, the group received a record 142 entries.

123 BUILD ON KNOWLEDGE

In view of the poor financial performances in 2014 and 2015, the group has launched an enterprise initiative focused on the basics of our business and of our group: quality and precision in the production process of our construction sites and focus on profit.

123 Build on Knowledge is now embedded in all operational and support divisions of the company through action plans focusing on site planning tools (Orchestra), project managers training, increase of our engineering capacities and capabilities, decentralisation and incentive of key site managers, cost savings, productivity and efficiency initiatives across the entire company. We envisage the benefits and rewards from this plan will be gained from 2016 onwards.

DIVISIONAL PERFORMANCE & OUTLOOK

Volkswagen Financial Services Headquarters, Milton Keynes

BUILDING

Turnover in the Building division for the period amounted to £404m compared with £480m last year, a reduction of 16%. Reduced volumes reflect the fact that the amount tendered in Building has reduced significantly and deliberately.

The education sector continues to provide significant opportunities, particularly in student accommodation.

September saw the handover of two major student accommodation developments including the £30m contract awarded by client, City Heart, for a 602-room student accommodation block at Bangor University in north Wales and Student Castle's £32m contract for the construction of a 648-bedroom block in Walmgate, York. Works were also completed on the £97m contract to design and build five academic and 11 residential buildings as part of the £450m Swansea University Bay Campus development.

Activity continues on the £11m 502-room refurbishment and new build for Liberty Living Investments Limited in Southampton, the £16m 211 rooms for Student Castle in Cambridge and the £20m conversion of a 1970's office block into a 480-room development with social spaces for Fusion Residential and Students in Bristol.

The £20m contract to construct a new academic research and teaching building for the University of Bath was topped out in October and is due to open early in 2016.

A contract to design and build a £22m teaching, sports and catering block for Eastbourne College in Sussex was recently secured.

Several contracts were completed in the health sector, principally the £40m contract in Blackpool called the Harbour for Lancashire Care NHS Foundation Trust. Awarded to Integrated Health Projects (a joint venture between VINCI Construction UK and Sir Robert McAlpine) the facility is the largest and most modern mental health facility in the North West. This project was recently awarded a special prize for Innovation in the Building Better Healthcare Awards. Two other IHP projects, the Lighthouse West Bromwich and Lister Rationalisation won the Patients Choice Award and an Award for Estates Improvement respectively.

Several other healthcare awards include phased programmes for Chesterfield Royal Hospitals NHS Foundation Trust, Royal Free London NHS Foundation Trust, Wrightington, Wigan & Leigh NHS Foundation Trust and Greater Manchester West Mental Health NHS Foundation Trust.

We were recently awarded a £35m private hospital for Spire Healthcare Limited and we are progressing on the £17m Townlands Community Hospital Development, a healthcare campus in Henley-on-Thames providing a community hospital, care home and residential accommodation for older people.

Following on from the successful completion of the Body in White manufacturing plant in the Midlands for Jaguar Land Rover we have completed two further projects and have received a significant award for a manufacturing facility. Also in this sector we are delivering an £18m, 35,303m^2 new manufacturing facility incorporating office block, warehouses and production, testing and quality assurance laboratories for Liberty Quayside Limited in Wigan.

The design and build of a new office development for BNP Paribas Real Estate, their first major development in the UK, was completed. The building provides 43,097m^2, spread over 13 storeys. The principal uses are lettable commercial space, retail space and restaurant use at ground level with gym facilities at mezzanine level.

The New Covent Garden Market development in London is a joint venture with St Modwen Developments Limited providing direct construction and residential development. We have started work on building the first phase of a 7 year programme for the new market which will provide in excess of 50,000m^2 of trading and distribution space.

CIVIL ENGINEERING

Civil engineering turnover has decreased from £304m in 2014 to £270m in 2015 on a like-for-like basis.

Rail

Work continues on the Crossrail West Stations contract with the upgrading of 13 stations for Network Rail, as does the design and construction of a Crossrail depot in West London from where Bombardier will maintain 65 new 200m long trains for Transport for London. To comply with TfL's strict environmental requirements, energy at the depot will be generated and stored using a hybrid renewables energy system comprising photovoltaic cells and solar heated water. Ground source heat pumps will control heating and cooling originating from a combined heat and power plant.

A delay in the release of design information led to the suspension of part of the Filton Abbey Wood Station contract in Bristol. However we are continuing with elements of the project whilst we await the design. As well as doubling the capacity of the rail line, the three year contract includes the replacement or enhancement of 17 structures along the 15km route, including four bridge reconstructions for electrification clearance and the refurbishment of two stations.

Tottenham Court Road Station

Taylor Woodrow and JV partner Alstom completed work on the Nottingham Express Transit (NET) extension. The expanded network has more than doubled the existing tram line, with 17.5km of new track and 28 new stops to the South and Southwest of the city, linking directly with the existing NET Line One at Nottingham Station. The JV built all associated infrastructure for the project, including overhead wires, track and signalling.

Transport for London

The phase 1 upgrade of two train maintenance depots at Ealing Common and Upminster to accommodate the introduction of the new S7 rolling stock to the network has been completed. Using the knowledge we have gained on this project we are working with London Underground to look at alternative delivery strategies for the upgrading of their other depots.

The Central line platforms at Tottenham Court Road station reopened at the beginning of December following the successful refurbishment of the station platform and walkways. Following the opening of the new ticket hall in January 2015, the demolition of the old ticket hall is now complete. Demolition of the old central line station is planned for 2017.

The £700m upgrade of London's Victoria Tube Station reached a significant milestone in September 2015 with a major tunnelling breakthrough connecting the 300m of north and south tunnel schemes.

Work was completed behind the scenes with no disruption to the travelling public, despite the fact that in certain places it was carried out less than 30cm away from operational Victoria line platforms. The majority of the secondary lining is also complete. The Northern ticket hall will be handed over to London Underground in line with their programme for 2016.

Victoria tube station is one of the busiest in London and is used by over 80 million customers each year. The upgrade will increase the size of the station by 110 per cent and deliver step-free access to Victoria for the first time in its 147-year history.

Highways

The Bexhill to Hastings link road was opened by the Secretary of State on Thursday 17th December 2015. Work to complete the pedestrian route and the fencing will be undertaken in early 2016.

During 2015, Taylor Woodrow and VINCI Construction Grands Projets were awarded a position on the Collaborative Delivery Framework that delivers major roads projects to Highways England, the government owned company responsible for managing the strategic road network in England.

The first major tender was for the Smart Motorway programme where our JV joined with Balfour Beatty and was successful in being awarded schemes on three motorways.

Initially our involvement is to convert a portion of the M5 motorway to a smart motorway and to work with Highways England and their consultants to develop the schemes on the M6 and the M4. All three schemes should lead to a value of £700m over the next four years where we have a 20% share.

The Welsh Government awarded a Costain/VINCI Joint Venture (50% Costain and 50% Taylor Woodrow and VINCI Construction Grands Projets) the first stage of an ECI (Early Contractor Involvement) contract for the M4 corridor to the south of the city of Newport. The outline design and preparation for public consultation defines the land to be purchased and, with Welsh government approval, will lead to a design being undertaken in 2017 and construction starting in 2018. The project value will be around £800m where we have a 25% share.

DIVISIONAL PERFORMANCE & OUTLOOK

Bangor University Student Accommodation

Energy

In the Energy from Waste (EfW) and Biomass market, our joint venture with VINCI Environnement France continues the construction of the Cornwall Energy Recovery Centre for SITA, the PFI waste contractor. The JV is also well underway with the delivery of our EfW contract with Amey Cespa in North Yorkshire.

The nuclear decommissioning project in Bradwell will complete in February 2016.

At the end of 2015 we left Sellafield after a number of years of continuous work there following changes in the client team. Their future construction plans remain ambitious however the timing appears less certain.

FACILITIES

Turnover in facilities management is £239m compared with £214m in 2014. The increase is mainly due to turnover related to the inclusion of Faceo FM UK Limited and Powertest Limited. These two companies were acquired from a related party on 1st January 2015.

Whilst the economic situation in the UK is improving, leading to a better trading situation for our private sector clients, there remains significant focus on cost rather than value.

In the public sector, which represents 75% of VINCI Facilities volumes, ongoing budget reductions across the sectors we operate in continue to ensure that our clients are focussed on cost and our ability to deliver budget savings.

Meanwhile, some of our competitors have acquired businesses to strengthen and broaden their capability in the FM sector.

The retail sector continues to be sensitive to economic pressures. Despite this we continue to deliver cost-effective services to our existing customer base including Dixons, which we have expanded to encompass 800 Carphone Warehouse stores, Cancer Research, Just Learning and Smyth Toys. In addition, we have a number of opportunities to grow our presence in this sector in 2016.

In the defence sector we continue to deliver a range of construction and maintenance services to the USAF in the UK and our contract has been extended to September 2016. We have bid the Next Generation Estates Contract for the USAF, which combines our existing contract with a number of other FM contracts. The contract award will be made in early 2016 with a potential value of £60m per year.

In social housing we have consolidated our position in South Wales with our Cardiff Council and Caerphilly Council contracts. In London and the South East our ten year Peabody contract has entered its third year, alongside a number of smaller contracts in the region. In the Midlands we are now in our 11th year with Sandwell Homes, and we are seeking an extension that would secure work with this client until the end of 2017. We continue to seek opportunities for profitable growth in both refurbishment and the repairs and maintenance subsectors in this market.

The government sector remains an area of target growth. We have successfully mobilised our Lincolnshire CC contract in 2015 and have secured positions on the Crown Commercial Services Framework, through which all central government FM will be procured over the next 4 years. We have further opportunities in the Local Authority sector and with the National Procurement Services for Wales. In addition, we have mobilised our London Olympic Stadium contract, with VINCI Concessions.

In the utilities sector, we continue to deliver services to Veolia, Welsh Water, Affinity Water and the Canals and Rivers Trust.

The future pipeline includes an opportunity to expand across the Veolia portfolio and with Severn Trent Water.

The healthcare sector remains an opportunity as the NHS Estate has a significant backlog of maintenance. However NHS Trust budgets remain under considerable pressure. We continue to maintain our position in the health sector, working in 9 hospitals, and will continue to seek new opportunities in this sector which have the right balance of risk and reward.

Our industrial portfolio grew in 2015, with the acquisition of Faceo at the beginning of the year, adding clients such as Boeing and Unysis to our Tata Steel contracts. Unfortunately we were unable to retain the Thales contract in this sector.

TECHNOLOGY CENTRE

In 2015 EDF extended our framework contract for a further 12 months and postponed the renewal process. The Technology Centre is currently working towards re-bidding for the framework contract with EDF, due for renewal in April 2016.

INTERNATIONAL

The International division contributed £48m of turnover in 2015 compared with £38m in 2014, of which £18m is recognised in Taylor Woodrow (from work in Saudi Arabia) and £30m in Building (£23m in Oman and £7m in Abu Dhabi).

Exeter Road, Bournemouth

In Abu Dhabi we have successfully delivered the new private executive terminal at Al Bateen. We recently received a £10m award from ADAC for the design and build of the Al Bateen Gate, boundary wall and associated infrastructure works. Our joint venture has also been selected as a construction management contractor to undertake framework - type projects to upgrade and extend existing facilities at ADAC Terminals 2 and 3 in Abu Dhabi. The first package to reach construction is the provision of a £5m operational control centre at Terminal 3.

We have demonstrated our ability to achieve the timely delivery of projects under the demanding conditions of airside working and the highly controlled monitoring that ADAC impose through their project managers. ADAC have now awarded us five projects at Abu Dhabi airport terminals and we hope to secure an ongoing work stream with this important government client.

In Oman we successfully completed a £13m project for the Ministry of Defence in Thumrait, Salalah for the construction of an aircraft hangar, maintenance facilities, control building and a utilities complex. We are 75% progressed on a £17m PDO executive villas and associated infrastructure works at Al Hamrah, Muscat.

We actively promote the Oman government initiatives for "in country value" and employ some 31 Omani nationals, providing structured in-house training for career development.

In Saudi Arabia the £133m Briman Reservoirs project (being undertaken in joint venture with Al Muhaidib Contracting) for National Water Company (NWC) is in the process of handover with 9 of the 11 water storage reservoirs already taken into use by the client. In particular we are very proud of our safety record on the project with only 2 Lost Time Incidents (LTIs) and an Accident Frequency Rate (AFR) of 0.018 after working almost 11 million man hours.

The operating and maintenance period on the Al Khumra Treated Effluent Lifting Station, an £18m design and build project (again undertaken in joint venture with Al Muhaidib Contracting) is virtually completed as are the Taif Airbase Typhoon Training Facilities. We are providing technical services by way of project management to Al Bawani Construction of Riyadh for their projects with BAE Systems.

VINCI UK DEVELOPMENTS

VINCI St Modwen (VSM), the 50/50 joint venture between St. Modwen Properties PLC and VINCI PLC, and its partner the Covent Garden Market Authority (CGMA), received a resolution from Wandsworth Council to grant planning permission to deliver the landmark redevelopment of the 57 acre New Covent Garden Market site in Nine Elms, London.

This major 10-year project will see the delivery of over 5390m^2 of new state-of-the-art market facilities across a 37 acre site. The remaining 20 acres of land will be transformed into three quality residential neighbourhoods comprising approximately 3,000 new homes, 1453m^2 of office space and 1100m^2 of retail, leisure and new community facilities, including shops, cafés and restaurants.

VINCI PLC has built upon the successful relationship it formed with St Modwen Properties PLC in developing ex-Ministry of Defence sites at Uxbridge and Mill Hill.

ECONOMIC OUTLOOK & MARKET TRENDS

Victoria Station Upgrade

BUILDING DIVISION

Health and education are traditional sectors for our Building division and we will continue to pursue opportunities in these areas. Our current focus is on negotiated opportunities with existing clients in the student accommodation sector and on bids under a framework in the health sector. We will continue to work with our existing retail clients, at the same time aligning ourselves to further major high street brands, with a view to securing future work in the retail and retail distribution sector.

The order book as at 1st January 2016 amounts to £385m, and a significant number of opportunities are being pursued. This should altogether ensure the same level of activity in 2016 as in 2015.

CIVIL ENGINEERING DIVISION

We continue to focus our operations in three core sectors; rail, road and energy. The rail sector in particular continues to provide significant opportunities owing to the political importance of this sustainable transport mode leading to strong investment in the classic Network Rail network, London's increasingly congested underground rail system and also the creation of the UK's High Speed rail system - HS2.

In recent years the roads market has been in decline, but it is now emerging as a key sector with an anticipated three-fold increase in major project spend on the English strategic road network over the next 5 years. In addition we also see strong forward investment in the Welsh roads market.

The order book as at 1st January 2016 amounts to £401m and the activity for 2016 is nearly entirely secured.

FACILITIES DIVISION

Whilst the economy in the UK is growing, and this is resulting in an increased volume of work coming to market, we continue to see significant pressure on margins, with cost continuing to be the primary driver in procurement decisions.

We therefore need to continue to act with caution as we seek to develop and grow the business.

Our order book for 2016 is at £317m, 50% of which relates to 2016. Our pipeline strength is variable, with a strong pipeline of work in the South and weaker pipelines in the Midlands and North of England.

Overall we are forecasting incremental improvements in profitability and revenue in 2016, as the market and economy recovers.

TECHNOLOGY CENTRE

The Technology Centre is currently working on re-bidding for the framework contract with EDF, due for renewal in April 2016.

New Covent Garden Market

INTERNAL OPERATIONS

The VINCI UK Foundation

HEALTH, SAFETY AND THE ENVIRONMENT (HSE)

The VINCI Construction UK lost-time incident rate was reduced to a new low of 0.42 in 2015. This was an improvement of 7% on the 2014 year end performance. The RIDDOR 7-day and 3-day frequency rates remained at 0.07 and 0.16 respectively for 2015. The UK Construction RIDDOR 7 day frequency rate is approximately 0.19 per 100,000 hours worked.

Close-call and positive intervention reporting continues, with approximately 690 reports every month across all divisions. Health and safety leadership has been established as a leading indicator across all VINCI Construction UK sites, with every project manager inspected, scored and ranked in league tables against his/her peers. This is now supported by a programme of internal HSE audits carried out by the HSE team. ISO 14001 and OSHAS 18001 certifications were renewed in 2015 without any non-conformances against either standard.

2016 will see a focus on improving the learning from HSE events through consistent investigation of root causes and on more effective control of occupational health risks through our supply-chain. With regard to environmental risk, the creation of a preferred supplier list for waste management contractors will build on a risk based approach to forging effective relationships with high-risk subcontractors. An investment in environmental training will also seek to enhance the operational competency of our people to manage environmental risk.

STEP UP (SAFETY THROUGH EVERYONE'S PARTICIPATION

A review of VINCI Construction UK's Step-UP behavioural safety programme took place in 2015. To revitalise the existing investment in staff training, a Step-UP project accelerator has been rolled-out to civil engineering projects which aims to establish a network of workforce mentors who can provide peer-to-peer challenge on health and safety.

Amongst the VINCI Facilities and Building divisions, Step-Up awareness training continues to be delivered to staff through a dedicated in-house Step-UP manager.

Workforce involvement and effective task briefing continues to be the development priority for 2016. Ensuring that every day, on every site, everyone has been briefed on working safely, is perhaps the single biggest opportunity we have to further improve safety performances in the future.

PEOPLE

During 2015, we continued our focus on the delivery of our in-house technical excellence training programme, Orchestra. Orchestra is aimed at anyone who supervises on site and is designed to ensure that our people are equipped to consistently apply a common culture of best practice and to ensure that the principles of the programme become part of the DNA of our business.


VINCI Facilities at St Helens Hospital

We welcomed another 20 technical apprentices to the business during 2015, taking our technical apprentices total to 50. The apprentices are on a two year programme comprising eight week periods of college-based classroom learning followed by practical work experience in our offices and on site.

We also had our largest number of graduates joining us during the year, culminating in a two day, residential induction programme to welcome and integrate our 60 new employees.

The learning and development team have facilitated over 36,000 hours of training in the year. We continue to encourage a learning and coaching culture within our business and for regular one to one meetings to be held with our project teams.

E-learning remains a core part of our learning and development strategy. This year we have introduced e-learning courses in BIM and Respect.

We have also become a partner of the Supply Chain Sustainability School and have signed the Supply Chain Sustainability School Code of Ethics.

We have made eight of the School's e-learning modules available to relevant groups of our employees.

Our partnerships with the Duke of Edinburgh Awards, Construction Youth Trust and The Prince's Trust remain strong.

During 2015, we delivered two Budding Brunel Programmes with Construction Youth Trust as well as continuing our support to our employees currently undertaking the Duke of Edinburgh Business Gold Award.

We have worked closely with Careers Transition Partnership, the MoD's official provider of Armed Forces Resettlement, who also provides a recruitment service for companies wishing to employ ex-military personnel.

Our community involvement continues to grow and this year we have developed a partnership with The Wildlife Trust, supporting them through our Stand Out! Make a Difference programme, by enabling employees to take a day away from the business to support their work.

LAUNCH OF THE VINCI UK FOUNDATION

As part of the VINCI Group, we are committed to supporting the communities in which we work. As part of that commitment, we are pleased to announce the creation of the VINCI UK Foundation.

The original VINCI Foundation was established in France in May 2002 and since then has supported 1,600 projects, each receiving an average grant of £10,000.

Like the original VINCI Foundation, the VINCI UK Foundation will provide a framework that will enable our employees to become personally involved in initiatives by using their experience and skills to benefit the local community.

The goal is to provide fresh opportunities for people suffering social exclusion by providing access to employment, increased mobility, integration through housing and strengthening social cohesion. This will be achieved thanks to our employees' involvement and the financial help granted by the VINCI UK Foundation.

BUSINESS RISKS


Swansea Science & Innovation Campus

The continued success of the Group depends upon the management's ability to identify and manage risks which are inherent in the type of activity we are engaged in. These risks fall into specific areas, all of which have the potential to impact on the success of the Group.

FINANCIAL RISK

The principal financial risks that we face are associated with our ability to accurately estimate the costs of carrying out the contracts in which we engage, the risk of properly incurring and controlling those costs, the ability to recover costs under the payment terms of all contracts, the financial standing of our clients, sub-contractors and suppliers in terms of their ability to discharge their obligations to us.

The Group controls these risks in a number of ways. The Group is highly selective in the type of work that it tenders for in terms of the project size, location, complexity and contract duration. These criteria are examined for each business unit and are specific to them to ensure that their capabilities are used to best effect. The Group specialises in certain types of building, civil engineering and facilities projects in line with the areas where we have proven expertise. Tenders are controlled in accordance with a tender control policy and are authorised by directors according to their value and type. In accordance with VINCI procedures, tenders over set amounts are submitted to the VINCI Risk Committee in Paris for approval.

PERFORMANCE RISK

Delivering the works we are committed to in our contracts on time, with the necessary level of quality, productivity and safety is the core of our general contractor activity. The Group performs and controls these tasks through a decentralised organisation that empowers key managers at different levels incentivised on projects and by implementing a number of key processes to support the construction site production; design, preparation, installation, programme, procurement, updated budget, monthly accounts, quality and financial control.

HEALTH AND SAFETY

The Group recognises the importance of the health and safety of all those employed in its offices and sites and operates policies to ensure that the risks associated with accidents and health are properly managed, controlled and reduced.

THE ENVIRONMENT

The Group recognises the importance of minimising the impact on the environment and is pro-actively managing this with procedures to measure and manage outputs and to set targets for reduction.

HUMAN RESOURCES

The Group's employees are its most important resource. It is essential to the future success of the business that a skilled and motivated workforce is retained.

By Order of the Board

Bruno Dupety,
Managing Director, VINCI Construction UK Limited
Date: 3rd March 2016


VINCI FACILITIES
STEP UP
SAFETY THROUGH EVERYONE'S PARTICIPATION
VINCI FACILITIES

DIRECTOR'S REPORT

Old Oak Common Depot Refurbishment

DIRECTORS

The Directors submit their report to the members, together with the audited financial statements for the year ended 31st December 2015.

RESULTS AND DIVIDENDS

The loss after taxation for the financial year as shown in the consolidated profit and loss account on page 18 amounted to £66,078,000 (2014: loss of £187,403,000).

There were no dividends paid during the current or previous year. The directors do not propose the payment of a final dividend.

DIRECTORS

B M Dupety
J-P Bonnet
C C Brennan
J P Gatward
C M Hamer
A K Raikes
G Stanley - resigned 16/01/2016

INDEMNITY PROVISIONS

No qualifying third party provision is in force for the benefit of any director of the Company.

GOING CONCERN

The Group has strong financial resources together with long term contracts with a number of customers and suppliers across different geographic areas and construction activities. As a consequence, the directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

EMPLOYEES

The Group has continued its policy regarding the employment of disabled persons. Full and fair consideration is given to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. Should an employee become disabled while in the Group's employment they are guaranteed consideration for alternative positions within the Group which are within their capabilities. It is the Group's policy to offer training and development opportunities to all employees on the basis of the assessment of training needs.

Communication and involvement

The Directors recognise the importance of good communications with the Group's employees and informing and consulting with them on a regular basis on the performance and objectives of the Group.

This is mainly through regular meetings, personal appraisals, e-mail communications and the annual team survey.

When practical, employees have the opportunity to participate in VINCI share savings schemes.

Health and safety

Health and safety issues figure prominently at Board level to ensure, as far as possible, the prevention of health risks or accidents to employees, contractors, sub-contractors, members of the public or any other persons who may come into contact with the Group's activities. Health and safety consultative committees operate at all levels. The Group is proud of, but not complacent about, its safety record.

POLITICAL DONATIONS

Neither the Company nor any of its subsidiaries made any political donations nor incurred any political expenditure in the current or previous years.

DISCLOSURE OF INFORMATION TO THE AUDITOR

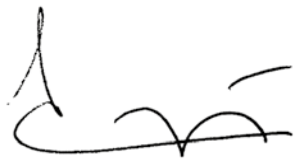
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all steps that he ought to have taken as a director to make himself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

APPROVAL

The Report of the Directors was approved by the Board on 3rd March 2016 and signed on its behalf by:



Bruno Dupety
Director

Company Registration Number 2295904
VINCI CONSTRUCTION UK LIMITED
Astral House
Imperial Way
Watford
Hertfordshire
WD24 4WW

Queen Elizabeth Olympic Park

Statement of directors' responsibilities in respect of the Annual Report

The directors are responsible for preparing the Annual Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare the group and parent company financial statements for each financial year. Under that law they have elected to prepare the group financial statements in accordance with International Financial Reporting Standards as adopted by the EU (IFRS) and applicable law and have elected to prepare the parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice) including FRS101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period.

In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- for the group financial statements state whether they have been prepared in accordance with IFRSs, as adopted by the EU;
- for the parent company financial statements state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its 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 group and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors' Report to the Members of VINCI Construction UK Limited

We have audited the financial statements of VINCI Construction UK Limited for the year ended 31st December 2015 set out on pages 18 to 68. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRS) as adopted by the EU. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS101 Reduced Disclosure Framework.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 16, 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:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2015 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRS as adopted by the EU;
- the parent company financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice and;
- the financial statements 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

W. Meredith

William Meredith
(Senior Statutory Auditor)

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL
3rd March 2016

Consolidated Income Statement

For the year ended 31st December 2015

	Notes	2015	Restated* 2014
			£000
Revenue	2	918,154	998,954
Cost of sales		(941,276)	(1,118,525)
Gross loss		(23,122)	(119,571)
Administrative expenses	2,3,5	(53,284)	(67,937)
Other operating income	4	9,076	-
Share of losses of entities using the equity accounting method	11	(612)	(507)
Operating loss before net financing income	2	(67,942)	(188,015)
Goodwill impairment	9	-	(5,844)
Financial income	7	511	326
Financial expenses	7	(202)	(380)
Net financing income/(expenses)		309	(54)
Loss before taxation		(67,633)	(193,913)
Taxation	8	1,555	6,510
Loss from continuing operations	18	(66,078)	(187,403)

* Prior year comparatives have been restated to present bank interest related to group banking arrangements under an offsetting agreement as a net balance. There has been no impact on the result recognised in the prior period.

The notes on pages 22 to 55 form part of the financial statements.

Consolidated Statement of Comprehensive Income and Statement of Changes in Equity

for the year ended 31st December 2015

Consolidated Statement of Comprehensive Income	2015	2014
	£000	£000
Loss for the year	(66,078)	(187,403)
Items that may be reclassified subsequently to the income statement:		
Foreign exchange translation differences	(416)	(531)
Items that will never be reclassified subsequently to the income statement:		
Actuarial gains/(losses) on defined benefit schemes	450	209
Taxes on actuarial losses on defined benefit scheme	(78)	(42)
Other comprehensive expense for the year	(44)	(364)
Total comprehensive (expense)/income	(66,122)	(187,767)

Statement of Changes in Equity	Share capital	Translation reserve	Retained earnings	Total equity
Group	£000	£000	£000	£000
At 1st January 2014	12,487	253	75,454	88,194
Share capital increase	201,500	-	-	201,500
Total comprehensive income for the period:				
Loss for the year	-	-	(187,403)	(187,403)
Other comprehensive income/(expense)	-	(531)	167	(364)
Transactions with owners recorded directly in equity:				
Equity settled transactions	-	-	1,404	1,404
Deferred tax recognised directly in equity	-	-	(363)	(363)
At 31st December 2014	213,987	(278)	(110,741)	102,968
At 1st January 2015	213,987	(278)	(110,741)	102,968
Share capital increase	50,000	-	-	50,000
Total comprehensive income for the period:				
Loss for the year	-	-	(66,078)	(66,078)
Other comprehensive (expense) income	-	(416)	372	(44)
Transactions with owners recorded directly in equity:				
Equity settled transactions	-	-	753	753
Deferred tax recognised directly in equity	-	-	(132)	(132)
Negative goodwill following the acquisition of subsidiaries under common control			692	692
At 31st December 2015	263,987	(694)	(175,134)	88,159

Consolidated Statement of Financial Position

for the year ended 31st December 2015

	Notes	2015 £000	2014 £000
Non-current assets			
Intangible assets	9	93,572	93,572
Property, plant and equipment	10	312	1,385
Investments in jointly controlled entities accounted for using the equity method	11	37,190	27,783
Investments in associates accounted for using the equity method	11	588	630
Other investments	12	15,027	16,552
Deferred tax asset	16	-	1,526
		146,689	141,448
Current assets			
Inventories	13	340	908
Trade and other receivables	14	311,635	286,550
Tax receivable		8,925	5,847
Cash and cash equivalents		92,244	198,653
		413,144	491,958
Total assets		559,833	633,406
Current liabilities			
Trade and other payables	15	470,951	530,096
		470,951	530,096
Non-current liabilities			
Deferred tax liability	16	696	-
Employee benefits	17	27	342
		723	342
Total liabilities		471,674	530,438
Net assets		88,159	102,968
Equity attributable to equity holders of the parent			
Issued share capital	18	263,987	213,987
Translation reserve	18	(694)	(278)
Retained losses	18	(175,134)	(110,741)
Total equity		88,159	102,968

The financial statements were approved by the Board on 3rd March 2016 and signed on its behalf by:

B Dupety (Director)
Company Registered Number 2295904

Cash flow Statements

for the year ended 31st December 2015

	Notes	2015	Restated* 2014
		£000	£000
Cash flows from operating activities			
Loss for the year		(66,078)	(187,403)
Adjustments for:			
Depreciation, amortisation and impairment		1,095	7,020
Financial income		(511)	(326)
Financial expense		202	380
Proceeds from sale of operating assets		-	7,405
Share of losses in jointly controlled entities and associates		612	507
Equity settled share-based payment expenses		753	1,404
Taxation		(1,555)	(6,510)
Operating cash flows before movements in working capital and provisions		(65,482)	(177,523)
Decrease/(increase) in trade and other receivables		31,096	(25,244)
Decrease in stock		568	205
Decrease/(increase) in trade and other payables		(65,586)	64,920
Increase in employee benefits		119	108
Cash generated from operations		(99,285)	(137,534)
Interest paid		(186)	(356)
Tax received		352	803
Net cash from operating activities		(99,119)	(137,087)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		31	-
Interest received		511	326
Acquisition of property, plant and equipment		(18)	(383)
Subordinated loan to associate entities and investments		(8,452)	(7,457)
Acquisition of subsidiaries net of cash acquired		1,087	-
Net cash from investing activities		(6,841)	(7,514)
Cash flows from financing activities			
Increase in share capital	18		201,500
Net cash from financing activities			201,500
Effect of exchange rate fluctuations on cash held		(449)	(607)
Net decrease/(increase) in cash and cash equivalents		(106,409)	56,292
Cash and cash equivalents at 1 January		198,653	142,361
Cash and cash equivalents at 31 December		92,244	198,653

*** Prior year comparatives have been restated to present bank interest related to group banking arrangements under an offsetting agreement as a net balance. There has been no impact on the result recognised in the prior period.**

Notes to the Consolidated Financial Statements

at 31st December 2015

1. Accounting policies

VINCI Construction UK Limited ("the Company") is a company domiciled in the United Kingdom.

Basis of preparation

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") and equity account the Group's jointly controlled entities and interest in associates. The parent company financial statements present information about the Company as a separate entity and not about its group.

The group financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("adopted IFRSs"). The Company has elected to prepare its parent company financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS101"). These are presented on pages 60 to 70.

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

Basis of consolidation

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The interest of non-controlling shareholders is stated at the non-controlling shareholder's proportion of the fair value of the assets and liabilities recognised.

Jointly controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement. The consolidated financial statements include the Group's share of the total recognised gains and losses of jointly controlled entities on an equity accounted basis, from the date that joint control commences until the date that joint control ceases.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. The consolidated financial statements include the Group's share of the total recognised income and expense of associates on an equity accounted basis, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the Group's carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations to fund the losses or made payments on behalf of an associate.

Adopted IFRS not yet applied

The accounting policies applied by the Group in these consolidated financial statements are in accordance with Adopted IFRSs and are the same as those applied by the Group in its consolidated financial statements as at, and for, the year ended 31st December 2014. There were no new standards or amendments that were mandatory for the first time for the financial year beginning 1st January 2015 that have had an impact on the Group or Company financial statements.

Long term contracts

Long term contracts are those that are in excess of 12 months or of any shorter duration which are material to the activity of the period and are ongoing at the period end.

Construction contract receivables

Amounts recoverable on contracts are included in receivables and are valued, inclusive of profit, at work executed at contract prices plus variations less payments on account. Profit on long term contracts is recognised once the outcome can be assessed with reasonable certainty. The margin on each contract is the lower of the margin earned to date and forecast at completion. Full provision is made for anticipated future losses and such losses are included in creditors. Where contract payments received exceed amounts recoverable these amounts are included in creditors.

Amounts recoverable normally include claims only when there is a firm agreement with the client, but when assessing anticipated losses on major contracts a prudent and reasonable estimate of claims may be taken into account.

Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

1. Accounting policies (continued)

Inventories

Inventories are stated at the lower of cost and estimated net realisable value.

Cost is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, typically with maturities of three months or less. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value..

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

Provisions

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

Impairment

The carrying amounts of the Group's assets other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date. The recoverable amounts are determined from value in use calculations of the cash generating units (CGUs) using cash flow projections based on the latest seven year plan. The main assumptions for each CGU, which relate to sales volume, cost changes and working capital requirements, are based on recent history and expectations of future changes in the market. The discount rate applied to the cash flow forecast is based on a VINCI determined post-tax weighted average cost of capital of 7.2%.

An impairment is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Calculation of recoverable amount

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

The recoverable amount of other assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs

Reversals of impairment

An impairment loss in respect of a held-to-maturity security or receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

1. Accounting policies (continued)

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Defined benefit plans

The Group is a member of a larger group pension scheme providing benefits based on final pensionable pay. Because the Group is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS 19 (R) the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme.

The Group's net obligation in respect of defined benefit pension plans and other post employment benefits is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) is deducted. The liability discount rate is the yield at the balance sheet date on AA credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in the income statement on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in the income statement

All actuarial gains and losses as at 1st January 2012, the date of transition to Adopted IFRSs, were recognised. In respect of actuarial gains and losses that arise subsequent to 1st January 2012 the group recognises them in the period they occur directly into equity through the statement of comprehensive income.

In accordance with Group policy, subsidiary undertakings continue to record the actual contributions that they make in the year.

Share-based payment transactions

The share option programme allows Group employees to acquire shares of the ultimate parent company; these awards are granted by the ultimate parent. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting.

The Group took advantage of the option available in IFRS 1 to apply IFRS 2 only to equity investments that were granted after 7th November 2002 and that had not vested by 1st January 2012.

Intangible assets

Goodwill represents amounts arising on acquisition of subsidiaries, associates and jointly controlled entities. In respect of business acquisitions that have occurred since 1st January 2004 (the effective date of IFRS 3), goodwill represents the difference between the cost of the acquisition and the fair value of the identifiable assets, liabilities and contingent liabilities acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

In respect of acquisitions prior to 1st January 2004, goodwill is included on the basis of its deemed cost, which represents the amount recorded under UK GAAP which was broadly comparable save that only separable intangibles were recognised and goodwill was amortised.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units and is not amortised but is tested annually for impairment. In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

Negative goodwill arising on an acquisition is recognised directly in profit or loss.

Other intangible assets that are acquired by the Group, with the exception of brand names, are stated at cost less accumulated amortisation and impairment losses. Brand name assets are stated at cost less any accumulated impairment losses. They are not amortised but are tested annually for impairment.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

1. Accounting policies (continued)

Jointly controlled entities and associates

The Group's share of joint ventures and associates is included on one line in the consolidated income statement, in either operating or financial income, depending on the nature of the profit. In the consolidated balance sheet the interests in joint ventures and associates are included as the Group's share of the net assets of joint ventures and associates plus goodwill on acquisition less related amortisation and impairment write-downs.

Jointly controlled operations

Where a Group company is party to a jointly controlled operation, that company proportionately accounts directly for its share of the income and expenditure, assets, liabilities and cash flows on a line by line basis. Such arrangements are reported in the consolidated financial statements on the same basis.

Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write down would be charged to operating profit. The principal anticipated useful lives on a straight line basis are:

Plant and machinery	- from two to fifteen years
Computer systems and fixtures and fittings	- from three to ten years

Where assets are financed by leasing agreements which give risk and rewards approximating to ownership ('finance lease') the assets are included in the balance sheet at cost less depreciation in accordance with the normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the income statement over the period of the lease in proportion to the balance of capital repayments outstanding.

All other leases are regarded as operating leases and the total payments made under them are charged to the income statement on a straight line basis over the period of the lease.

Business combinations

All business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

Acquisitions on or after 1st January 2010 (the effective date of the revision to IFRS 3)

For acquisitions on or after 1st January 2010, the Group measures goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

On a transaction-by-transaction basis, the Group elects to measure non-controlling interests, which have both present ownership interests and are entitled to a proportionate share of net assets of the acquiree in the event of liquidation, either at its fair value or at its proportionate interest in the recognised amount of the identifiable net assets of the acquiree at the acquisition date. All other non-controlling interests are measured at the fair value at the acquisition date.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

1. Accounting policies (continued)

Acquisitions prior to 1st January 2010 (the effective date of the revision to IFRS 3)

For acquisitions prior to 1st January 2010, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Pre-contract costs

Pre-contract costs are expensed as incurred until the Group is appointed preferred bidder. Provided the contract is expected to generate sufficient net cash inflows to enable recovery and the award of the contract is probable, pre-contract costs incurred post the appointment as preferred bidder are included in receivables. Where pre-contract bid costs are reimbursed at financial close, the proceeds are initially applied against the asset included in inventories. Any excess recoveries are carried forward as deferred income and released to the income statement over the period of the contract to which the pre-contract costs relate.

Revenue

Revenue is the total amount receivable by the Group in the ordinary course of business with outside customers for goods supplied and services provided excluding VAT and trade discounts. On long term contracts the estimated sales value of work performed in the year is included.

Profit on contracts is recognised on a percentage of completion basis when the contract's outcome can be reliably estimated. The percentage of completion basis is measured by the proportion of total costs to date to the estimated total cost of the contract.

Variations and compensating events are included in forecasts to completion when it is considered highly probable that they will be recovered. Provision is made for losses incurred or foreseen in bringing the contract to completion when they become apparent. In these circumstances a prudent and reasonable estimate of claims receivable may be taken into account to mitigate foreseeable losses.

Consistent contract review procedures are in place in respect of contract forecasting.

Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement over the lease term.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Net financing costs

Net financing costs comprise interest payable, financial elements of pensions, finance charges on shares classified as liabilities and finance leases, interest receivable on funds invested, dividend income, foreign exchange gains and losses and gains and losses on hedging instruments that are recognised in the income statement.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

1. Accounting policies (continued)

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Foreign operations

The assets and liabilities of foreign operations are translated at the exchange rate at the year end. The income and expenses of foreign operations are translated at the date of the transactions.

Foreign currency differences are recognised in the statement of comprehensive income, and presented in the translation reserve in equity.

The group has taken advantage of the relief available in IFRS 1 to deem the cumulative translation differences for all foreign operations to be zero at the date of transition to Adopted IFRSs (1st January 2012).

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

2. Segmental reporting

The segmental reporting is based on the Group's main divisional operations as follows:

- Building
- Civil Engineering
- Facilities
- Development and PFI (DPFI)

International results have been categorised in either the Building or Civils segment, depending on the nature of the activity.

In addition, the Group operates an 'other activities' segment. The other activities segment essentially includes the Group's plant activities and interest in technology. None of the individual activities included in other activities meet any of the quantitative thresholds for determining reportable segments. Trading between segments is carried out on an arm's length basis.

The Group's activities are primarily within the UK. Therefore, no geographical segmental analysis is presented.

Information regarding the results of each reportable segment is included below:

Income statement	Building	Civil Engineering	Facilities	DPFI	Other	Group 2015 Total
	£000	£000	£000	£000	£000	£000
Gross revenue	403,955	270,406	234,724	-	28,640	937,725
Less inter segment revenue	-	-	-	-	(19,571)	(19,571)
Consolidated revenue	403,955	270,406	234,724	-	9,069	918,154
Operating (loss)/profit	(42,439)	(39,278)	1,143	11,142	1,490	(67,942)
Financial income	248	228	169	(193)	59	511
Financial expenses	(152)	-	(50)	-	-	(202)
(Loss)/profit before taxation	(42,343)	(39,050)	1,262	10,949	1,549	(67,633)
Taxation	-	-	-	-	1,555	1,555
Depreciation, amortisation & impairment	(36)	(1,043)	(16)	-	-	(1,095)

	Building	Civil Engineering	Facilities	DPFI	Other	Group 2014 Total
	£000	£000	£000	£000	£000	£000
Gross revenue	480,283	304,206	207,457	-	41,482	1,033,428
Less inter segment revenue	-	-	-	-	(34,474)	(34,474)
Consolidated revenue	480,283	304,206	207,457	-	7,008	998,954
Operating (loss)/profit	(35,193)	(152,616)	(304)	(1,444)	1,542	(188,015)
Goodwill impairment	(3,552)	(2,292)	-	-	-	(5,844)
Financial income	71	239	-	-	16	326
Financial expenses	(639)	(286)	63	443	39	(380)
(Loss)/profit before taxation	(39,313)	(154,955)	(241)	(1,001)	1,597	(193,913)
Taxation	-	-	-	-	6,510	6,510
Depreciation, amortisation & impairment	(3,581)	(3,439)	-	-	-	(7,020)

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

2. Segmental reporting (continued)

Balance sheet	Building	Civil Engineering	Facilities	DPFI	Other	Group 2015 Total
	£000	£000	£000	£000	£000	£000
Intangible assets	21,330	52,304	18,478	-	1,460	93,572
Property, plant and equipment	15	207	73	-	17	312
Elimination of shares	(21,407)	(50,607)	(18,255)	(3,000)	93,269	-
Investments accounted for using the equity accounting method	-	53	77	37,648	-	37,778
Other non current assets	-	-	-	15,027	-	15,027
Current assets	71,774	(7,206)	86,171	(3,766)	266,171	413,144
Total assets	**71,712**	**(5,249)**	**86,544**	**45,909**	**360,917**	**559,833**
Current liabilities	153,672	148,287	62,859	5,124	101,009	470,951
Non-current liabilities	-	(282)	278	(218)	945	723
Total liabilities	**153,672**	**148,005**	**63,137**	**4,906**	**101,954**	**471,674**
Total equity	**(81,960)**	**(153,254)**	**23,407**	**41,003**	**258,963**	**88,159**

Balance sheet	Building	Civil Engineering	Facilities	DPFI	Other	Group 2014 Total
	£000	£000	£000	£000	£000	£000
Intangible assets	21,330	52,304	18,478	-	1,460	93,572
Property, plant and equipment	25	1,250	87	-	23	1,385
Elimination of shares	(21,407)	(50,607)	(18,255)	(3,000)	93,269	-
Investments accounted for using the equity accounting method	-	54	-	28,359	-	28,413
Other non current assets	-	324	(22)	16,632	1,144	18,078
Current assets	130,597	81,145	74,283	(6,521)	212,454	491,958
Total assets	**130,545**	**84,470**	**74,571**	**35,470**	**308,350**	**633,406**
Current liabilities	177,574	198,699	53,134	5,539	95,150	530,096
Non-current liabilities	-	-	342	-	-	342
Total liabilities	**177,574**	**198,699**	**53,476**	**5,539**	**95,150**	**530,438**
Total equity	**(47,029)**	**(114,229)**	**21,095**	**29,931**	**213,200**	**102,968**

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

3. Expenses

Included in the profit are the following:	2015	2014
	£000	£000
Operating leases - plant and machinery	21,588	34,084
Operating leases - other	4,780	4,612
Depreciation of tangible assets	1,095	1,176
Auditor's remuneration - audit of these financial statements	255	273

Amounts receivable by the Group's auditor and their associates in respect of services to the Group and its associates, other than the audit of the Group's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Group's parent, VINCI PLC

4. Other operating income

	2015	2014
	£000	£000
Interest received and receivable from joint ventures involved in development activity	9,076	-

5. Employees

(i) Staff costs during the year amounted to:	2015	2014
	£000	£000
Wages and salaries	122,965	124,684
Social security costs	11,874	12,389
Reorganisation and redundancy costs	1,455	1,429
Pension costs – defined contribution scheme	6,305	6,551
– defined benefit scheme	1,667	1,904
Share based payments (see note 18)	753	1,404
	145,019	148,361

(ii) The average number of employees during the year was as follows:	2015 No.	2014 No.
Management	106	103
Administration	1,241	1,201
Operations	2,198	2,129
	3,545	3,433

The decrease in employee numbers following reduced activity in UK operations is mitigated by increased direct labour employed in overseas activities as well as staff transferred in on acquisition of FAECO FM UK Limited and Powertest Limited (note 11).

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

6. Directors' remuneration

	2015	2014
	£000	£000
Emoluments	1,292	906
Compensation for loss of office	-	463
Pension costs - defined benefit	115	94
Pension costs - defined contribution	93	110
	1,500	1,573

Two of the directors (2014: 2) are accruing benefits under the Group defined benefit plans.
Directors' emoluments disclosed above include the following::

	2015	2014
	£000	£000
Highest paid Director	281	212

The annual pension accruing to the highest paid director under the Group defined benefit scheme is £nil (2014: £nil).

Two of the Directors of the Group and Company exercised share options in 2015 (2014: 1). The value of the compensation to Directors in share based payments in 2015 was £27,725 (2014: £27,883).

7. Finance income and expense

			Restated	Restated
	2015	2015	2014	2014
	£000	£000	£000	£000
Other financial income and similar income				
Return on pension assets	-		-	
Bank interest	198		109	
Foreign exchange gain	313		217	
Total financial income		511		326
Financial expenses and similar charges				
Interest on pension obligation	(16)		(24)	
Bank loans and overdrafts	(7)		(102)	
Foreign exchange losses	(179)		(254)	
Total financial expenses		(202)		(380)
Net financing income/(expenses)		309		(54)

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

8. Taxation

Recognised in income statement:	2015	2014
	£000	£000
Current tax:		
UK corporation tax on profits for the year	(2,250)	(3,216)
Adjustments in respect of previous periods	(1,180)	(3,268)
Total current tax	(3,430)	(6,484)
Deferred tax - origination and reversal of timing differences	(184)	(616)
Changes in tax rates	(35)	43
Share options	(153)	(302)
Adjustment in respect of prior periods	2,247	849
Tax credit on profit on ordinary activities	(1,555)	(6,510)

Reconciliation of effective tax rate

The tax assessed for the period is higher (2014: higher) than the standard rate of corporation tax in the UK. The differences are explained below.

	2015	2014
	£000	£000
Loss on ordinary activities before taxation	(67,633)	(193,913)
Theoretical tax at UK corporation tax rates 20.25% (2014: 21.49%)	(13,696)	(41,672)
Effects of:		
(Income)/expenditure not allowable for tax	(1,250)	1,603
Adjustment for tax rate differences	(35)	43
Consortium relief not yet claimed	1,078	3,383
Group relief not yet paid for	773	-
Losses carried forward	10,508	32,552
Movement in respect of deferred tax in prior periods	2,247	849
Adjustments in respect of prior periods	(1,180)	(3,268)
Actual total taxation credit	(1,555)	(6,510)

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1st April 2014) and 20% (effective from 1st April 2015) were substantively enacted on 2nd July 2013. Further reductions to 19% (effective from 1st April 2017) and to 18% (effective 1st April 2020) were substantively enacted on 26th October 2015. This will reduce the Company's future current tax charge accordingly. The deferred tax liability at 31st December 2015 has been calculated on these rates.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

9. Intangible assets

	Goodwill	Brand name	Customer list	Total
Cost	£000	£000	£000	£000
At 1st January 2014 and 31st December 2014	76,693	24,220	455	101,368
At 1st January 2015 and 31st December 2015	76,693	24,220	455	101,368
Impairment losses and amortisation				
At 1st January 2014	-	1,497	455	1,952
Impairment charge	5,844	-	-	5,844
At 31st December 2014	5,844	1,497	455	7,796
At 1st January 2015 and 31st December 2015	5,844	1,497	1,497	7,796
Net book value			-	
At 31st December 2014 and 31st December 2015	70,849	22,723	-	93,572

Goodwill in respect of acquisitions made prior to January 1998 is not treated as an intangible asset and was eliminated at the time of acquisition against Group reserves. The cumulative amount of such goodwill was:

	2015	2014
	£000	£000
Positive goodwill eliminated against reserves	1,903	1,903

Following the adoption of IFRSs, goodwill is no longer amortised over 20 years but tested annually for impairment.

The customer list values for all intangible assets were fully amortised in prior years. In assessing the useful life of the brand values, due consideration is given to the existing longevity of the various VINCI Construction UK Limited brands, the indefinite life cycle of the construction industry in which the brands operate and the expected usage of the brand names in the future.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

9. Intangible assets (continued)

For the purpose of impairment testing, intangible assets are allocated to the Group's operating divisions as reported in Note 2. The key assumptions are reduced activities in the early years based on Board approved projections, a five-year growth rate of 0% and a post-tax discount rate of 7.2%. The aggregate carrying amount of intangible assets allocated to each reporting segment is as follows:

	Goodwill 2015 £000	Brand name 2015 £000	Total 2015 £000	Goodwill 2014 £000	Brand name 2014 £000	Total 2014 £000
Building	21,330	-	21,330	21,330	-	21,330
Civil Engineering	29,804	22,500	52,304	29,804	22,500	52,304
Facilities	18,255	223	18,478	18,255	223	18,478
Other	1,460	-	1,460	1,460	-	1,460
	70,849	22,723	93,572	70,849	22,723	93,572

Impairment loss

2015

Recoverable values arising from impairment testing were in excess of allocated carrying values for all Cash Generating Units, and as such no impairment losses were recognised in 2015.

2014

Recoverable values arising from impairment testing were less than allocated carrying values for the Building and Civils Cash Generating Units and, as such, impairment losses of £3,552,000 and £2,292,000 respectively were recognised in 2014.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

10. Property, plant and equipment

	Plant and machinery	Computer systems, fixtures and fittings	Total
	£000	£000	£000
Cost or valuation:			
At 1st January 2014	2,690	290	2,980
Additions	360	23	383
Effect of exchange rate movements	171	14	185
At 31st December 2014	3,221	327	3,548
Cost or valuation:			
At 1st January 2015	3,221	327	3,548
Additions	-	18	18
Disposals	(31)	-	(31)
Effect of exchange rate movements	143	12	155
Acquired through business combination	-	2	2
At 31st December 2015	3,333	359	3,692
Depreciation:			
At 1st January 2014	671	207	878
Charged	1,135	41	1,176
Effect of exchange rate movements	99	10	109
At 31st December 2014	1,905	258	2,163
Depreciation:			
At 1st January 2015	1,905	258	2,163
Charged	1,045	50	1,095
Effect of exchange rate movements	112	10	122
At 31st December 2015	3,062	318	3,380
Net Book Value :			
At 31st December 2014	1,316	69	1,385
At 31st December 2015	271	41	312

The fixed assets owned by the Group do not include any amounts (2014 : £nil) in respect of assets held under finance lease and hire purchase contracts..

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

11. Investments

On 1st January 2015, the Group acquired all of the ordinary shares of Faceo FM UK Limited and Powertest Limited from a related party Faceo FM SAS for £2 satisfied in cash. Faceo FM SAS is also a wholly owned subsidiary of VINCI. The Group has taken advantage of the exemption in IFRS 3 from applying acquisition accounting to common control transactions, and has applied book value accounting in recognising the assets and liabilities acquired in these consolidated financial statements as below.

	Total £000
Fixed assets	
Property, plant and equipment	2
Current assets	
Debtors	6,181
Cash	1,087
Total assets	7,270
Liabilities	
Creditors	6,578
Total liabilities	6,578
Identifiable assets and liabilities	692
Negative goodwill on acquisition (recognised in equity)	(692)
Consideration paid (settled in cash)	-
Cash acquired	1,087
Net cash inflow	1,087

In the post acquisition period to 31st December 2015 the subsidiaries contributed £18,016,000 towards Group revenue and a loss of £189,000 to the consolidated net losses.

11. Investments (continued)

Movements in the investments in jointly controlled entities are as follows:

	Shares in jointly controlled entities	Loans to jointly controlled entities	Post- acquisition reserves	Total
	£000	£000	£000	£000
At 1st January 2014	51	16,945	4,215	21,211
Share of profits/(loss) for the year	3	-	(525)	(522)
Additions	-	7,094	-	7,094
At 31st December 2014	54	24,039	3,690	27,783
At 1st January 2015	54	24,039	3,690	27,783
Share of profits/(loss) for the year	(1)	-	(588)	(589)
Additions	-	9,996	-	9,996
At 31st December 2015	53	34,035	3,102	37,190

The Group owns 50% of the ordinary shares of VINCI Environment UK Limited which commenced trading in 2009 and is incorporated in the UK. This investment is accounted for using the equity accounting method. The Group's share of the result of VINCI Environment UK Limited, a loss of £1,000 (2014 : profit of £3,000), is included on a separate line within the operating result.

Through VINCI Investments Limited the Group owns 50% of the ordinary shares of VSM Estates but the Group is only entitled to 25% of this Company's profits. Due to the profit sharing arrangement, VSM Estates Limited has been accounted for as a 25% equity investment. The Group's share of the loss from VSM Estates Limited of £666,000 (2014 : £525,000 loss) has been included on a separate line within the operating result.

The Group owns 50% of the ordinary shares and profits of VINCIMouchel Limited, a company incorporated on 14th November 2014. The Group's share of the profit from VINCIMouchel of £77,000 (2014: £nil) has been included on a separate line within the operating result.

The Group also owns 50% of the ordinary shares and profits of VSM Estates (Uxbridge) Limited and VSM (NCGM) Limited which were incorporated during 2012. No share of profit or loss has been recognised with regards to these entities in either the current or previous period.

Except where stated otherwise all the Group's equity accounted investments were incorporated in the UK.

Details of all joint controlled entities and operations in which the Group is involved are given on page 68.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

11. Investments (continued)

Summary financial information on jointly controlled entities - 100 per cent:

	Non-current assets £000	Current assets £000	Current liabilities £000	Non-current liabilities £000	Income £000	Expenses £000
2014						
VSM Estates Limited	11,665	27,441	(24,351)	-	-	(2,102)
VSM Estates (Uxbridge) Limited	-	72,862	(34,918)	(37,944)	-	-
VINCI Environment UK Limited	-	50,757	(50,651)	-	63,831	(63,826)
2015						
VSM Estates Limited	14,754	20,526	(23,189)	-	-	(2,664)
VSM Estates (Uxbridge) Limited	-	77,563	(35,563)	(42,000)	-	-
VSM (NCGM) Limited	-	16,603	(16,603)	-	-	-
VINCI Environment UK Limited	-	17,206	(17,100)	-	75,416	(75,416)
VINCIMouchel Limited	-	2,700	(2,547)	-	5,434	5,281

VSM Estates Limited, VSM Estates (Uxbridge) Limited and VSM (NCGM) Limited are involved in the development and sale of real estate. VINCI Environment UK Limited is involved in civil engineering projects. VINCIMouchel Limited has been established for the provision of facilities management services. Under its PFI joint ventures the Group has commitments of £nil (2014: £nil) that have been contracted but not provided for in the accounts.

Movement in investments in the associated undertakings are as follows:-

	Loans to associated undertakings £000
At 1st January 2014	752
Repayments	(137)
Share of profits in the year	15
At 31st December 2014	630
At 1st January 2015	630
Repayments	(19)
Share of losses in the year	(23)
At 31st December 2015	588

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

11. Investments (continued)

The Group holds a 25% interest in the ordinary shares of HTP LEP Limited, a joint venture which is involved in the design, build, finance and operation of a PFI project over a concession period of 26.8 years.

Summary of financial information - 100 per cent

	Assets £000	Liabilities £000	Equity £000	Revenue £000	Profit/(loss) £000
2014					
HTP LEP Limited	403	(372)	5	2,105	26
2015					
HTP LEP Limited	464	(423)	42	475	11

Under its associated undertakings, the Group's share of capital commitments that have been contracted for but not provided for in the accounts is £nil (2014 : £nil)..

12. Other investments

	2015 £000	2014 £000
Loan	15,014	16,539
Equity securities	13	13
	15,027	16,552

The net movement during the year represents interest repaid on the loans.

These investments are accounted for at cost, as less than 20% of the shares were acquired and no significant influence or control exists.

The equity securities represent a 12.5% interest in the Tramlink Nottingham PFI project via Tramlink Nottingham (Holdings) Limited.

13. Inventories

	2015 £000	2014 £000
Raw materials and consumables	340	908

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

14. Trade and other receivables

	2015 £000	2014 £000
Trade receivables	116,218	117,577
Amounts recoverable on contracts	98,005	112,682
Due from parent and fellow subsidiary undertakings	23,003	29,576
Unpaid share capital	50,000	-
Other receivables	20,319	20,290
Prepayments and accrued income	4,090	6,425
	311,635	286,550

At 31st December 2015, trade receivables for the group include retentions of £48,878,000 (2014: £44,094,000) relating to construction contracts. Included within trade and other receivables is £33,819,000 (2014: £26,641,000) for the Group expected to be recovered in more than 12 months.

The Directors consider that the carrying amounts of trade and other receivables are approximate to their fair value. No provisions for irrecoverable amounts are included in total trade and other receivables at 31st December 2015 (2014 : £nil).

Trade receivables, other receivables and accrued income are analysed as follows:

	2015 Corporate £000	2015 Public sector £000	2014 Corporate £000	2014 Public sector £000
Not overdue	296,955	8,881	276,017	7,740
Between 1 to 3 months past due	878	-	969	-
Between 3 and 6 months past due	1,696	-	634	-
More than 6 months past due	3,225	-	1,190	-
At 31st December	302,754	8,881	278,810	7,740

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

15. Trade and other payables

	2015 £000	2014 £000
Trade payables	57,038	70,201
Due to parent and fellow subsidiary undertakings	69,175	70,961
Other taxation and social security	2,226	1,810
Other payables	20,044	7,124
Accruals	244,529	279,286
Payments on account	77,939	100,714
	470,951	530,096

Trade payables at 31st December 2015 for the Group include retentions on construction contracts of £34,505,000 (2014: £29,918,000).

Included within trade and other payables is £5,530,000 (2014: £8,541,000) expected to be payable in more than 12 months.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

16. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2015 £000	2014 £000	2015 £000	2014 £000	2015 £000	2014 £000
Property, plant and equipment	-	-	738	961	738	961
Employee benefits	-	-	100	22	100	22
Other temporary differences	(66)	(2,454)	-	-	(66)	(2,454)
Share options	(76)	(55)	-	-	(76)	(55)
Tax (assets) / liabilities	(142)	(2,509)	838	983	696	(1,526)

The group also has tax losses of £213,387,616 as at 31st December 2015 (2014: £147,485,000) which have not been recognised as these may only be offset against certain profits arising in specific subsidiaries in future accounting periods. Consequently the group has unrecognised deferred tax assets of £40,543,647 as at 31st December 2015 (2014: £29,497,000).

Movement in deferred tax during the prior year

	1 January 2014 £000	Recognised in income £000	Recognised in equity £000	31 December 2014 £000
Property, plant and equipment	788	173	-	961
Employee benefits	(20)	-	42	22
Other temporary differences	(2,557)	103	-	(2,454)
Share options	(116)	(302)	363	(55)
	(1,905)	(26)	405	(1,526)

Movement in deferred tax during the year

	1 January 2015 £000	Acquisition through business combination £000	Recognised in income £000	Recognised in equity £000	31 December 2015 £000
Property, plant and equipment	961	-	(223)	-	738
Employee benefits	22	-	-	78	100
Other temporary differences	(2,454)	137	2,251	-	(66)
Share options	(55)	-	(153)	132	(76)
	(1,526)	137	1,875	210	696

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits

Defined benefit pension scheme

The Group is a member of a larger group pension scheme, the VINCI Pension Scheme, providing benefits based on final pensionable pay. Members of the scheme are contracted out of the State Earnings Related Pension Scheme. Members joining before 1st April 2000 did so on a 'defined benefit' basis. Members entering the scheme from this date join on a 'money purchase' basis whereby contributions are invested on behalf of the member and an annuity is purchased from an insurance company on retirement. The VINCI Pension Scheme is included on the balance sheet of VINCI PLC. Because the Group is unable to identify its share of the scheme assets and liabilities on a consistent and reasonable basis, as permitted by IAS 19 (R) the scheme has been accounted for in these financial statements as if the scheme was a defined contribution scheme.

The latest full actuarial valuation was carried out at 31st December 2013 and was updated for IAS 19(R) purposes to 2015 by a qualified independent actuary. It has been agreed that a contribution rate of 29 % of pensionable pay will apply in future years.

Additionally, 59 employees are members of the VINCI NHS Pension Scheme which commenced in December 2003. The Actuary's latest financial valuation has an effective date of 31st December 2012. This disclosed that the market value of the scheme's assets at that date was £4.5m and that the value of the assets was sufficient to cover 99% of the benefits that had accrued to members after allowing for expected future increases in earnings. The actuaries to the scheme calculated the long term funding rate to be 29% of pensionable earnings.

The information disclosed below is in respect of the Group VINCI NHS Pension Scheme:

	2015 £000	2014 £000
Present value of partly funded defined benefits obligations	7,501	7,178
Fair value of plan assets	(7,474)	(6,836)
Net liability	27	342

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

Group - VINCI NHS Pension Scheme

Movement in net defined benefit liability/asset

	Defined benefit obligation		Fair value of plan assets		Net defined benefits liability	
	2015 £000	2014 £000	2015 £000	2014 £000	2015 £000	2014 £000
Balance at 1 January	7,178	5,853	6,836	5,434	342	419
Included in profit or loss	607	657	-	-	607	657
Interest cost/(income)	298	272	282	248	16	24
Included in OCI	8,083	6,782	7,118	5,682	965	1,100
Remeasurements loss/(gain) :						
Actuarial (gain)/loss arising from						
- Changes in demographic assumptions	-	(238)	-	-	-	(238)
- Changes in financial assumptions	(482)	569	-	-	(482)	569
- Experience adjustment	(49)	94	-	-	(49)	94
Return on plan assets excluding interest income	-	-	(81)	634	81	(634)
	7,552	7,207	7,037	6,316	515	891
Other						
Contributions paid by the employer	-	-	488	549	(488)	(549)
Contributions paid by members	79	89	79	89	-	-
Benefits paid	(130)	(118)	(130)	(118)	-	-
Balance at 31 December	7,501	7,178	7,474	6,836	27	342

Actuarial gains and losses recognised directly in equity in the statement of comprehensive income since 1st January 2012, the date of transition to Adopted IFRSs :

	2015 £000	2014 £000
Cumulative amount at 1st January	78	(131)
Recognised in year	450	209
Cumulative amount at 31st December	528	78

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

The fair value of the plan assets and the expected return on those assets were as follows:

	Group and Company 2015 Fair value £000	Group and Company 2015 Expected return %	Group and Company 2014 Fair value £000	Group and Company 2014 Expected return %
Equities	2,349	6.6	3,795	6.4
Diversified growth funds	2,855	6.6	371	6.4
Government debt	2,254	2.6	1,325	0.5
Corporate bonds	-	-	1,302	3.4
Cash	16	0.5	43	0.5
	7,474		6,836	
Actual return on plan assets	201		563	

There are no investments in the Group's equity, financial instruments or property included in the fair value of the plan assets. The expected rates of return on plan assets are determined by reference to relevant indices. The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance of the plan's investment portfolio.

Actuarial assumptions

Principal actuarial assumptions (expressed as weighted averages):

	2015 %	2014 %
Discount rate - benefit obligations	3.7	4.0
Future salary increases	2.0	3.4
Inflation	3.2	3.4

Life expectancy (years)	31.12.15		31.12.14	
	Male	Female	Male	Female
Member age 65 (current life expectancy)	23.0	25.3	22.9	25.2
Member age 45 (life expectancy at 65)	24.6	27.1	24.5	27.0

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

	Group and Company 2015 £000	Group and Company 2014 £000	Group and Company 2013 £000	Group and Company 2012 £000	Group and Company 2011 £000
Present value of defined benefit obligation	7,501	7,178	5,853	4,373	3,357
Fair value of plan asset	(7,474)	(6,836)	(5,434)	(4,444)	(3,080)
Liability/(asset)	27	342	419	(71)	277

	Group and Company 2015		Group and Company 2014		Group and Company 2013		Group and Company 2012		Group and Company 2011	
	£000	%	£000	%	£000	%	£000	%	£000	%
Experience adjustments on plan liabilities	49	1	(94)	1	(38)	3	73	2	(86)	3
Experience adjustments on plan assets	(81)	1	303	4	423	8	410	9	(237)	8
	(32)		209		385		483		(323)	

The calculation of the defined benefit obligation is sensitive to the assumptions set out above. The following table summarises how the impact on the defined benefit obligation at the end of the reporting period would have increased/ (decreased) as a result of a change in the respective assumptions as follows:

		VNHSPS 2015 £m	VNHSPS 2014 £m
Discount rate	- 0.25% reduction	0.4	0.4
	- 0.25% increase	(0.4)	(0.4)
Inflation (RPI, CPI)	- 0.25% reduction	(0.3)	(0.4)
	- 0.25% increase	0.3	0.4

In valuing the liabilities of the pension fund at 31st December 2015, mortality assumptions have been made as indicated above. If life expectancy had been changed to assume that all members of the fund lived for one year longer, the value of the reported liabilities at 31st December 2015 would have increased by £0.2m (2014: increase of £0.2m) before deferred tax.

The above sensitivities are based on the average duration of the defined benefit obligation determined at the date of the last full actuarial valuation and are applied to adjust the defined benefit obligation at the end of the reporting period for the assumptions concerned. Whilst the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation to the sensitivity of the assumptions shown.

The Company expects to pay £491,000 in contributions to its VINCI NHS Pension Scheme in 2016. The weighted average duration of the defined benefit obligation at the end of the reporting period is 24.6 years.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

Defined contribution plans

The total expense relating to defined contribution plans in the current year was £6,305,000 (2014: £6,551,000).

Share based payments

The terms and conditions of grants are as follows; whereby all options are settled by physical delivery of shares in the ultimate parent, VINCI :-

Date of Grant and number of employees entitled	Number of Instruments	Vested Conditions	Contractual life of options
Equity settled award to 23 employees on September 15th 2009	50,945	vested	expiry 15.09.16
Equity settled award to 28 employees on July 9th 2010	61,964	vested	expiry 09.07.17

In respect of the 2010 scheme, the share options are only definitely allocated at the end of a vesting period of three years. The number of share options effectively allocated at the end of the vesting period is determined on the basis of changes in a performance indicator during the first two year period. Once vested, the share options must be held for a minimum of one year during which time they may not be disposed of.

	Weighted average exercise price 2015 (euros)	Number of options 2015	Weighted average exercise price 2014 (euros)	Number of options 2014
Outstanding at the beginning of period	37.05	31,979	37.00	61,964
Transfers out	-	-	(36.70)	(899)
Exercised during the period	(36.70)	(6,629)	(36.95)	(29,086)
Outstanding at the end of period	37.14	25,350	37.05	31,979

The weighted average share price at the date of exercise of share options exercised during 2015 was 56.2 euros (2014: 48.4 euros). The options outstanding at the year end have an exercise price in the range of 36.70 euros to 38.37 euros and a weighted average contractual life of 1.45 years.

The total expenses recognised for the period arising from share based payments are as follows:

	2015 £000	2014 £000
Equity settled share based payment expense	165	341

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black-Scholes formula.

The main assumptions used to determine the fair values of the options in question were:

Plan	July 2010	Sept 2009
Volatility (1)	34.22%	32.91%
Expected return on share	7.24%	8.01%
Risk-free interest rate (2)	1.59%	2.38%
Dividend growth rate hoped – for (3)	4.99%	4.21%
Fair value of the option (€)	4.43	5.64

1. Volatility assumed using a multi-criteria approach based on the mean reversion model applied to a five year series of daily implied volatilities of the VINCI share;
2. Rate at 5 years of French government bonds;
3. Average return expected by financial analysts over the three years following the grant date adjusted by a theoretical annual growth rate beyond that period.

Performance Shares

Employees have been granted a maximum number of performance shares as follows:

Date of grant	No. of Employees	No. of Shares
14th April 2015	22	11,500
16th April 2013	26	23,374
12th April 2012	26	28,496
2nd May 2011	26	30,732
9th July 2010	28	24,780
15th September 2009	24	21,264
2nd January 2008	19	22,800
2nd January 2007	20	27,000

The shares in the schemes prior to 2015 are subject to the following vesting conditions :

- The shares are only definitively allocated at the end of a period of two years, which can be extended to three years by the VINCI board.
- The number of shares effectively allocated at the end of the vesting period is determined on the basis of changes in a performance indicator during the period.
- The vested shares must be held for a minimum period of two years during which they may not be disposed of

On 14th April 2015 a new long-term incentive plan was set up involving conditional grants to employees, consisting of 'deferred cash' and performance shares. The deferred cash, which falls outside the scope of IFRS2, and performance shares granted will only vest definitively after a period of 3 years. Vesting is subject to beneficiaries being employed by the Group until the end of the vesting period, and to performance conditions in respect of the performance shares.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

The main assumptions used to determine the fair values of the performance shares currently in force are as follows:

	Fair value at grant date €	Fair value compared with share price at grant date %	Risk-free interest rate %
14th April 2015	56.47	83.65	(0.15)
16th April 2013	35.47	80.56	0.11
12th April 2012	36.37	77.00	0.36
2nd May 2011	44.87	82.25	1.81
9th July 2010	35.44	79.85	0.97

Castor International Savings Scheme

During 2015 and 2014 the VINCI PLC Group offered to its employees the Castor International Savings Scheme which enables employees, through a trust fund, to invest in the equity capital of the Parent Company VINCI SA.

The principal characteristics of the plan are as follows :

- acquisition of VINCI shares purchased on the market on the subscription dates, without discount;
- seven successive subscription period between April and October 2015 for the 2015 scheme;
- seven successive subscription periods between April and October 2014 for the 2014 scheme;
- financial contribution from the employer company in the form of matching shares (subject to a maximum) provided that :
  - investing employees have continuing employment for a period of 3 years after acquisition.
  - there is no disposal of shares for 3 years after the subscription date.

2015 Scheme :

Share Purchase Date	Share Price £	No. of employees	No. of Shares
15th May 2015	39.63	646	5,933
15th June 2015	37.95	521	2,382
15th July 2015	40.00	501	1,779
17th August 2015	42.23	490	1,938
15th September 2015	42.92	476	1,565
15th October 2015	43.30	470	1,775
16th November 2015	43.12	456	1,984

2014 Scheme :

Share Purchase Date	Share Price £	No. of employees	No. of Shares
15th May 2014	44.59	730	12,493
16th June 2014	45.50	618	5,898
15th July 2014	41.73	622	5,435
15th August 2014	39.00	604	4,885
15th September 2014	36.75	592	4,213
15th October 2014	35.00	568	4,628
17th November 2014	35.20	561	4,552

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

17. Employee benefits (continued)

The charge for the year arising from the Castor International Savings Scheme has been calculated based on estimating the number of shares in the scheme which will ultimately vest. The calculation includes an estimate of the number of shares that will fail to vest due to scheme leavers. This estimate is based on actual employee data from 2012 to 2015.

The total amounts recognised for the period arising from the Castor International Savings Scheme are as follows :

	2015 £000	2014 £000
Castor payment expense	588	1,063
Castor liability at year end	1,057	2,355

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

18. Reconciliation of movement in capital and reserves

Group	Share capital £000	Translation reserve £000	Retained earnings £000	Total equity £000
At 1st January 2014	12,487	253	75,454	88,194
Share capital increase	201,500	-	-	201,500
Total recognised income and expense	-	(531)	(187,403)	(187,934)
Actuarial losses on defined benefit schemes	-	-	209	209
Taxes on actuarial losses on defined benefit schemes	-	-	(42)	(42)
Equity settled transactions	-	-	1,404	1,404
Deferred tax recognised directly in equity	-	-	(363)	(363)
At 31st December 2014	213,987	(278)	(110,741)	102,968
At 1st January 2015	213,987	(278)	(110,741)	102,968
Share capital increase	50,000	-	-	50,000
Total recognised income and expense	-	(416)	(66,078)	(66,494)
Actuarial losses on defined benefit schemes	-	-	450	450
Taxes on actuarial losses on defined benefit schemes	-	-	(78)	(78)
Equity settled transactions	-	-	753	753
Deferred tax recognised directly in equity	-	-	(132)	(132)
Negative goodwill following the acquisition of subsidiaries under common control		-	692	692
At 31st December 2015	263,987	(694)	(175,134)	88,159

Share capital

On 10th December 2015, the company increased its share capital by 50,000,000 £1 shares. These newly issued shares remain unpaid but can be called upon demand by the Company.

At 31st December 2015, the authorised, allotted, called up and fully paid share capital comprised 263,987,266 £1 ordinary shares (2014: £213,987,266).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

19. Financial instruments

Exposure to credit, liquidity and market risks arises in the normal course of the Group's business. The risks are regularly considered and the impact and how to mitigate them assessed.

Fair values of financial instruments

Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

Fair values

The fair values for each class of financial assets and financial liabilities together with their carrying amounts shown in the balance sheet are as follows:

	Carrying amount and fair value	
	2015	2014
	£000	£000
Cash and cash equivalents	92,244	198,653
Trade and other receivables (note 14)	311,635	286,550
Total financial assets	403,879	485,203
Trade and other payables (note 15)	(470,951)	(530,096)
Total financial liabilities	(470,951)	(530,096)
Net financial instruments	(67,072)	(44,893)

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

19. Financial instruments (continued)

Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or company party to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and cash held at financial institutions.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the balance sheet date for the Group was £403,879,000 (2014: £485,203,000) being the total of the carrying amount of financial assets shown in the table above.

The Group has strict credit control procedures for accepting new customers, setting credit limits and dealing with overdue accounts.

An impairment loss provision against a trade receivable is created where it is anticipated that its value is not fully recoverable.

Liquidity risk

Financial risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities as they fall due.

The financial liabilities for the Group at 31st December 2015 comprise trade and other payables.

Trade and other payables shown as current liabilities are expected to mature within six months of the balance sheet date.

Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments.

Interest rate risk

The Group adopts a policy of ensuring that its exposure to changes in interest rates on bank loans is on a fixed rate basis. At 31st December 2015 the Group had no bank loans (2014 : £nil).

Foreign currency risk

The majority of the Group's operations are within the UK and so exposure to foreign currency risk is reduced. Where necessary, to minimise currency exposures on sale and purchase transactions, the Group enters into forward foreign exchange contracts. There were no significant outstanding forward foreign exchange contracts at the balance sheet date.

Notes to the Consolidated Financial Statements (Continued)

at 31st December 2015

20. Capital commitments

The Group had no capital commitments at either 31st December 2015 or 31st December 2014.

21. Operating leases

Non-cancellable operating lease rentals are payable over the duration of leases expiring in:

	Group	
	2015 £000	2014 £000
Land and Buildings		
- within 1 year	2,635	1,780
- between 2 and 5 years	3,668	4,026
- over 5 years	448	403
	6,751	6,209
Vehicles		
- within 1 year	3,909	4,296
- between 2 and 5 years	4,267	3,934
	8,176	8,230
Other leases		
- within 1 year	-	13
- between 2 and 5 years	-	-
	-	13
Total		
- within 1 year	6,544	6,089
- between 2 and 5 years	7,935	7,960
- over 5 years	448	403
	14,927	14,452

22. Contingent liabilities

The Company and certain Group undertakings have entered into guarantees relating to bonds, in the normal course of business, from which no losses are expected to arise.

Joint banking facilities available to the Company, its parent undertaking and certain fellow subsidiary undertakings are secured by cross guarantee. At 31st December 2015, the net Group borrowings were £nil (2014: £nil).

23. Related party transactions

Group

Identity of related parties

The Group has a related party relationship with its subsidiaries (see page 68) and fellow subsidiaries of the ultimate parent company, VINCI.

Transactions with key management personnel

There are no additional related party transactions with the directors (see note 6).

Other related party transactions

Associates and joint ventures

During the year ended 31st December 2015, associates and joint ventures purchased services from the Group in the amount of £nil (2014: £nil) and as at 31st December 2015 associates and joint ventures owed the Group £nil (2014: £nil). Transactions with associates and joint ventures are priced on an arm's length basis and are mainly for the provision of construction and facilities management services

Companies under common control

During the year the Group purchased services from fellow subsidiaries of the ultimate parent company, VINCI for £24.2m (2014: £25.0m) and fellow subsidiaries purchased services from the Group in the amount of £1.2m (2014: £1.2m). Transactions with these companies are priced on an arm's length basis and are mainly for the provision of construction and central services such as fleet management. The Parent Company, VINCI Construction, charged the Group £3.5m (2014: £3.9m) in royalties.

At 31st December 2015 fellow subsidiaries owed the Group £39.4m (2014: £55.5m) and the Group owed £69.2m (2014: £71.0m) to fellow subsidiaries.

24. Ultimate parent undertaking

The company is a subsidiary undertaking of VINCI PLC, incorporated in the United Kingdom.

At 31st December 2015 the ultimate parent undertaking was VINCI, a company incorporated in France which also heads the largest group in which the results of the Company are consolidated. The consolidated accounts of this group can be obtained from the Company Secretary, VINCI, 1 Cours Ferdinand-de-Lesseps, 92851 Rueil-Malmaison, Cedex, France. The smallest group in which they are consolidated is that headed by VINCI PLC. Copies of VINCI PLC's accounts may be obtained from the Company Secretary, VINCI PLC, Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW.

Company Statement of Financial Position

at 31st December 2015

	Notes	2015	2014 £000	2013 £000
Non-current assets				
Intangible assets	4	223	223	223
Tangible assets	5	71	87	9
Investments in Group undertakings	6	93,448	93,448	93,448
Deferred tax asset	9	-	1,089	1,337
		93,742	94,847	95,017
Current assets				
Trade and other receivables	7	242,367	222,962	214,381
Cash and cash equivalents		440	121,071	47,420
		242,807	344,033	261,801
Total assets		336,549	438,880	356,818
Current liabilities				
Trade and other payables	8	366,105	441,811	379,427
		366,105	441,811	379,427
Non-current liabilities				
Deferred tax liability	9	1,099	-	-
Employee benefits		27	342	419
Total liabilities		367,231	442,153	379,846
Net assets/ (liabilities)		(30,682)	(3,273)	(23,028)
Equity attributable to equity holders of the Parent				
Issued share capital	11	263,987	213,987	12,487
Retained earnings	12	(294,669)	(217,260)	(35,515)
Shareholders' funds/(deficit)		(30,682)	(3,273)	(23,028)

The Notes on pages 57 to 67 form part of the Financial Statements.
The financial statements were approved by the Board on 3rd March 2016 and signed on its behalf by:

TB Dupety (Director)
Company registered number:2295904

Notes to the Company Financial Statements

at 31st December 2015

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation

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

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

In the transition to FRS 101, the Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101. An explanation of how the transition to FRS 101 has affected the reported financial position, financial performance and cash flows of the Company is provided in note 13.

The Company's parent undertaking VINCI PLC includes the Company in its consolidated financial statements. The consolidated financial statements of VINCI PLC are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Company Secretary, VINCI PLC, Astral House, Imperial Way, Watford, Hertfordshire, WD24 4WW.

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

- a Cash Flow Statement and related notes;

- Disclosures in respect of transactions with wholly owned subsidiaries;

- The effects of new but not yet effective IFRSs;

- Disclosures in respect of the compensation of Key Management Personnel

As the consolidated financial statements of VINCI PLC include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS2 Share Based Payments in respect of group settled share based payments.

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 and in preparing an opening FRS 101 IFRS balance sheet at 1st January 2014 for the purposes of the transition to FRS 101.

Investments

In the Company's financial statements, investments in subsidiary undertakings, associates and joint ventures are stated at cost less amounts written off.

Tangible fixed assets and depreciation

Depreciation is provided evenly on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Where there is evidence of impairment, fixed assets are written down to recoverable amount. Any such write down would be charged to operating profit. The principal anticipated useful lives on a straight line basis are :-

Plant and machinery	-	from two to fifteen years
Computer systems and fixtures & fittings	-	from three to ten years

Notes to the Company Financial Statements (Continued)

at 31st December 2015

1. Accounting Policies (continued)

Impairment of fixed assets and goodwill

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account unless it arises on a previously revalued fixed asset. An impairment loss on a revalued fixed asset is recognised in the profit and loss account if it is caused by a clear consumption of economic benefits. Otherwise impairments are recognised in the statement of total recognised gains and losses until the carrying amount reaches the asset's depreciated historic cost.

Impairment losses recognised in respect of income-generating units are allocated first to reduce the carrying amount of any goodwill allocated to income-generating units, then to any capitalised intangible assets and finally to the carrying amount of the tangible assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs

Reversals of impairment

An impairment loss is reversed on intangible assets and goodwill only if subsequent external events reverse the effect of the original event which caused the recognition of the impairment or the loss arose on an intangible asset with a readily ascertainable market value and that market value has increased above the impaired carrying amount. For other fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversals of the impairment loss should be recognised in the current period.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Gains and losses arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

Leases

Where assets are financed by leasing agreements which give risks and rewards approximating to ownership ('finance leases') the assets are included in the balance sheet at cost less depreciation in accordance with the normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the profit and loss account over the period of the lease in proportion to the balance of capital repayments outstanding.

All other leases are regarded as operating leases and the total payments made under them are charged to the profit and loss account on a straight line basis over the lease terms.

Post retirement benefits

The Company's employees are members of the group-wide VINCI PLC defined benefit pension plan. The assets of the scheme are held separately from those of the Company. The net defined benefit cost of the plan is charged to participating entities based on the actuary's calculation of the long term funding rate as a percentage of pensionable earnings.

VINCI PLC also operates a defined contribution scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account in respect of the defined contribution pension plan is the cost relating to the accounting period.

Stocks

Stocks are stated at the lower of cost and estimated net realisable value.

Notes to the Company Financial Statements (Continued)

at 31st December 2015

Long term contracts

Long term contracts are those extending in excess of 12 months and of any shorter duration which are material to the activity of the period.

Amounts recoverable on contracts are included in debtors and are valued, inclusive of profit, at work executed at contract prices plus variations less payments on account. Profit on long term contracts is recognised once the outcome can be assessed with reasonable certainty. The margin on each contract is the lower of the margin earned to date and forecast at completion. Full provision is made for anticipated future losses and such losses are included in creditors. Where contract payments received exceed amounts recoverable these amounts are included in creditors.

Amounts recoverable normally include claims only where there is a firm agreement with the client, but when assessing anticipated losses on major contracts a prudent and reasonable estimate of claims is taken into account.

Taxation

Tax on the profit for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity in which case it is recognised in equity.

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner or realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Turnover

Turnover is the total amount receivable by the Company in the ordinary course of business with outside customers for goods supplied and services provided excluding VAT and trade discounts. On long term contracts the estimated sales value of work performed in the year is included.

Share-based payment transactions

The share option programme allows Company employees to acquire shares of the ultimate parent company; these awards are granted by the ultimate parent. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting.

Dividends on shares presented within equity

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

Cash and liquid reserves

Cash and cash equivalents comprise cash balances and cash deposits, typically with maturities of three months or less. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Company Financial Statements (Continued)

at 31st December 2015

2. Profit for the year

As permitted by Section 408 of the Companies Act 2006, the Company has elected not to present its own profit and loss account for the year.

The auditor's remuneration for audit services to the Company was £206,000 (2014: £204,000).

No other services were provided by the auditor to the Company.

3. Employee benefits

i) Staff costs during the year amounted to :

	2015 £000	2014 £000
Wages and salaries	110,790	110,234
Social security costs	10,233	11,327
Reorganisation and restructuring costs	1,218	1,404
Other pension costs (note (ii))		
- defined contribution	5,399	5,833
- defined benefits	1,023	1,208
Share based payments	700	1,338
	129,363	131,344

The average number of employees during the year was as follows:

	2015 No.	2014 No.
Management	78	88
Administration	896	1,024
Operations	1,810	2,033
	2,784	3,145

(ii) Other Pension Costs

Defined Contribution Pension Scheme

The Company operates a defined contribution scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme.

Defined Benefit Pension Schemes

The Company's employees are members of the group-wide VINCI PLC defined benefit pension plan. The net defined benefit cost of the plan is charged to participating entities based on the actuary's calculation of the long term funding rate as a percentage of pensionable earnings.

Additionally, 59 employees are members of the VINCI NHS Pension Scheme (VNHSPS) which is disclosed in note 17 of the Notes to the Consolidated Financial Statements.

(iii) Directors' remuneration

Information relating to directors' emoluments and pension entitlements is disclosed in Note 6 to the Consolidated Financial Statements.

Notes to the Company Financial Statements (Continued)

at 31st December 2015

4. Intangible assets

	Brand name
	£000
Cost	
At 1st January 2014 and 31st December 2014	223
At 1st January 2015 and 31st December 2015	223
Amortisation	
At 1st January 2014 and 31st December 2014	-
At 1st January 2015 and 31st December 2015	-
Net book value	
At 31st December 2014 and 31st December 2015	223

In assessing the useful life of the brand name due consideration is given to the existing longevity of the brand, the indefinite life cycle of the construction industry in which it operates and the expected usage of the brand name in the future.

5. Tangible assets

	Plant and machinery	Computer systems, fixtures and fittings	Total
	£000	£000	£000
Cost or valuation			
At 1st January 2014	76	24	100
Additions At 31st December 2014	**78**		**78**
At 1st January 2015 and 31st December 2015	154	24	178
Cost or valuation At 1st January 2014 and 31st December 2014	154	24	178
Depreciation At 1st January 2014 and 31st December 2014	67	24	91
Depreciation at 1st January 2015	67	24	91
Charged	16	-	16
At 31st December 2015	83	24	107
Net Book Value At 31st December 2014	87	-	87
At 31st December 2015	71	-	71

Notes to the Company Financial Statements (Continued)

at 31st December 2015

6. Investments

Cost :	£000
At 1st January 2015 and 31st December 2015	100,887
Amounts written off : At 1st January 2015 and 31st December 2015	7,439
Net book value At 31st December 2014 and 31st December 2015	93,448

A full list of the Company's investments in subsidiaries and associated undertakings at 31st December 2015 is given on page 68.

7. Trade receivables

	2015 £000	2014 £000
Trade receivables	81,295	89,233
Amounts recoverable on contracts	76,182	91,701
Due from parent and fellow subsidiary undertakings	21,761	25,802
Unpaid share capital	50,000	-
Corporation tax	8,926	5,847
Other receivables	1,117	4,857
Prepayments and accrued income	3,086	5,522
	242,367	222,962

8. Trade and other payables

	2015 £000	2014 £000
Trade payables	46,731	58,558
Due to group undertakings	68,875	71,193
Tax and social security	-	654
Other payables	17,952	4,461
Accruals	195,005	237,053
Payments on account	37,268	69,892
Other tax and social security	274	-
	366,105	441,811

Notes to the Company Financial Statements (Continued)

at 31st December 2015

9. Deferred tax (asset)/liability

Recognised deferred tax assets and liabilities

	Assets		Liabilities		Net	
	2015 £000	2014 £000	2015 £000	2014 £000	2015 £000	2014 £000
Property, plant and equipment	-	-	1,022	1,259	1,022	1,259
Employee benefits	-	-	100	22	100	22
Other temporary differences	-	(90)	-	-	-	(90)
Share options	(23)	(21)	-	-	(23)	(21)
Losses	-	(2,259)	-	-	-	(2,259)
Total (assets)/liabilities	(23)	(2,370)	1,122	1,281	1,099	(1,089)

The Company also has tax losses of £213,387,616 as at 31st December 2015 (2014: £147,485,000) which have not been recognised as these may only be set against certain profits arising in specific divisions in future accounting periods. Consequently the Company has unrecognised deferred tax assets of £40,543,647 as at 31st December 2015 (2014: £29,497,000).

Movement in deferred tax during the prior year:

	1st January 2014 £000	Recognised in income £000	Recognised in equity £000	31st December 2014 £000
Property, plant and equipment	1,087	172	-	1,259
Employee benefits	(20)	-	42	22
Other temporary differences	(63)	(27)	-	(90)
Share options	(41)	(288)	308	(21)
Losses	(2,300)	41	-	(2,259)
	(1,337)	(102)	350	(1,089)

Movement in deferred tax during the year:

	1st January 2015 £000	Recognised in income £000	Recognised in equity £000	31st December 2015 £000
Property, plant and equipment	1,259	(237)	-	1,022
Employee benefits	22	-	78	100
Other temporary differences	(90)	90	-	-
Share options	(21)	(142)	140	(23)
Losses	(2,259)	2,259	-	-
	(1,089)	1,970	218	1,099

Notes to the Company Financial Statements (Continued)

at 31st December 2015

10. Operating leases

Non-cancellable operating lease rentals are payable over the duration of leases expiring in:

	2015 £000	2014 £000
Land and Buildings		
- within 1 year	1,752	1,039
- between 2 and 5 years	2,673	2,510
- over 5 years	443	402
	4,868	3,951
Vehicles		
- within 1 year	3,435	4,061
- between 2 and 5 years	3,799	3,722
	7,234	7,783
Other leases		
- within 1 year	-	13
- between 2 and 5 years	-	-
		13
Total		
- within 1 year	5,187	5,112
- between 2 and 5 years	6,472	6,232
- over 5 years	443	403
	12,102	11,747

11. Share capital

Details of the share capital of the Company are included in note 18 to the Consolidated Financial Statements.

Notes to the Company Financial Statements (Continued)

at 31st December 2015

12. Capital and reserves

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1st January 2014	12,487	(35,515)	(23,028)
Share capital increase	201,500	-	201,500
Total recognised income and expenses	-	(182,942)	(182,942)
Actuarial losses	-	209	209
Taxes on actuarial losses	-	(42)	(42)
Equity settled transactions	-	1,338	1,338
Deferred tax recognised directly in equity	-	(308)	(308)
At 31st December 2014	213,987	(217,260)	(3,273)
At 1st January 2015	213,987	(217,260)	(3,273)
Share capital increase	50,000	-	50,000
Total recognised income and expenses	-	(78,341)	(78,341)
Actuarial losses	-	450	450
Taxes on actuarial losses	-	(78)	(78)
Equity settled transactions	-	700	700
Deferred tax recognised directly in equity	-	(140)	(140)
At 31st December 2015	263,987	(294,669)	(30,682)

13. Explanation of transition to FRS 101

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

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31st December 2015, the comparative information presented in these financial statements for the year ended 31st December 2014 and in the preparation of an opening FRS 101 balance sheet at 1st January 2014 (the Group's date of transition).

In preparing its FRS 101 balance sheet, the Group has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP). An explanation of how the transition from UK GAAP to FRS 101 has affected the Group's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Notes to the Company Financial Statements (Continued)

at 31st December 2015

13. Explanation of transition to FRS 101 (continued)

Reconciliation of equity for 2014

		1st January 2014			31st December 2014		
		UK GAAP	Effect of transition FRS 101	FRS 101	UK GAAP	Effect of transition to FRS 101	FRS 101
	Note	£000	£000	£000	£000	£000	£000
Non-current assets	(a)						
Intangible assets		175	48	223	164	59	223
Property, plant and equipment		9	-	9	87	-	87
Investments in Group undertakings		93,448	-	93,448	93,448	-	93,448
Deferred tax asset		1,337	-	1,337	1,089	-	1,089
Current assets							
Trade and other receivables		214,381	-	214,381	222,962	-	222,962
Cash and cash equivalents		47,420	-	47,420	121,071	-	121,071
Total assets		356,770	48	356,818	438,821	59	438,880
Current liabilities							
Trade and other payables		379,427	-	379,427	441,811	-	441,811
Non-current liabilities							
Employee benefits		419	-	419	342	-	342
Total liabilities		379,846	-	379,846	442,153	-	442,153
Net liabilities		(23,076)	48	(23,028)	(3,332)	59	(3,273)
Equity attributable to equity holders of the parent							
Share capital		12,487	-	12,487	213,987	-	213,987
Retained earnings		(35,563)	48	(35,515)	(217,319)	59	(217,260)
Total equity		(23,076)	48	(23,028)	(3,332)	59	(3,273)

Notes to the reconciliation of equity

(a) IFRS 3 'Business Combinations' has been applied to all business combinations that have occurred since 1st January 2004. From 1st January 2004, goodwill is no longer amortised under IFRSs but is tested annually for impairment resulting in a reversal of amortisation previously recognised under UK GAAP of £59K. The carrying value of goodwill relating to business combinations dating prior to 2004 is deemed to be £nil.

Notes to the Company Financial Statements (Continued)

at 31st December 2015

13. Explanation of transition to FRS 101 (continued)

Reconciliation of total comprehensive loss for the year ended 31st December 2014

	Note	UK GAAP £000	Effect of transition to FRS 101 £000	FRS 101 £000
Revenue		881,902	-	881,902
Cost of sales		(1,010,119)	-	(1,010,119)
Gross loss		(128,217)	-	(128,217)
Administrative expenses	a	(61,024)	74	(60,950)
Result from operating activities		(189,241)	74	(189,167)
Profit on disposal of fixed assets	b	63	(63)	-
Financial income		554	-	554
Financial expenses		(1,122)	-	(1,122)
Net financing expense		(568)	-	(568)
Loss before tax		(189,746)	11	(189,735)
Taxation		6,793	-	6,793
Loss for the period		(182,953)	11	(182,942)
Other comprehensive income:				
Foreign currency translation differences				
Actuarial gains on defined benefit scheme		209	-	209
Taxes on actuarial gains on defined benefit scheme		(42)	-	(42)
Other comprehensive income		167	-	167
Total comprehensive loss for the period		(182,786)	11	(182,775)

Notes to the reconciliation of loss:

a) IFRS 3 Business Combinations

From 1st January 2004 goodwill is no longer amortised under IFRSs but is tested annually for impairment.

b) Profit on disposal of fixed assets is included within administrative expenses under IFRSs.

Subsidiary undertakings, jointly controlled entities and jointly controlled operations

at 31st December 2015

A list of investments in subsidiaries, jointly controlled entities and jointly controlled operations is given below. Except where otherwise shown all subsidiaries, jointly controlled entities and jointly controlled operations are incorporated in Great Britain. All holdings are of ordinary shares and, except where shown, all subsidiary undertakings are 100% owned and jointly controlled entities and jointly controlled operations are 50% owned.

Construction
Taylor Woodrow Construction
John Jones (Excavation) Limited
Pel Interiors Limited
Genflo Technology Limited
VINCI Technology Centre Limited
Powertest Limited
FACEO FM UK Limited
VINCI Construction UK (Saudi Arabia) Limited
*Taylor Woodrow Civil Engineering Limited
*Taylor Woodrow Construction Southern Limited
*Taylor Woodrow Management Limited
*Taymin (Private) Limited
*Taywood Engineering Limited

PFI
*VINCI UK Developments Limited
*VINCI Education Limited
*VB Limited
*VINCI Asset Management Limited

International
*Taylor Woodrow International Limited
*Taylor Woodrow Oman LLC
*Taylor Woodrow International Qatar LLC
*Taylor Woodrow International Construction LLC

Jointly controlled entities

Construction
*VINCI Environment UK Limited

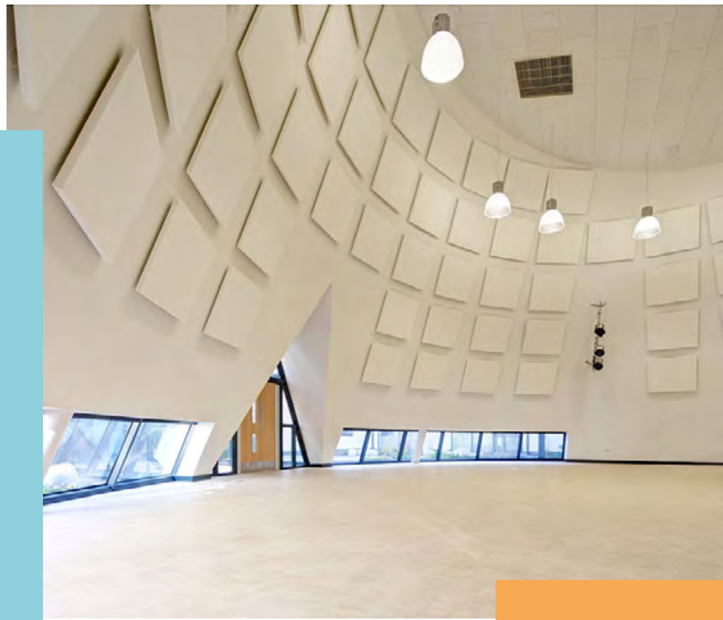
Investments
*VSM Estates Limited
*VSM Estates (Uxbridge) Limited
*VSM (NCGM) Limited
*VSM Estates (Ashchurch) Limited

Facilities
VINCIMouchel Limited

Jointly controlled operations

Construction
The Balfour Beatty VINCI Joint Venture
The Costain VINCI Joint Venture
The Taylor Woodrow Construction Alstom Transport Joint Venture
The BBMV Joint Venture (participation between 5% and 50% on various projects)
The Hochtief Vinci Joint Venture
The King's Cross Joint Venture
The M6 DFBO Joint Venture (33% participant)
The Taylor Woodrow Construction BAM Nuttall Joint Venture
The Channel Tunnel Rail Link (CTRL) Joint Venture
The A6 Clapham Bypass Joint Venture
The Integrated Health Projects Joint Venture

*100% of the group's interest is held by a subsidiary undertaking



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VINCI Construction UK is part of VINCI, a world leader in concessions and construction.

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