# Marktune Limited

Registered number: 02323034

## Directors' report and financial statements

**For the year ended 31 December 2016**

MARKTUNE LIMITED

## COMPANY INFORMATION

| | |
|---|---|
| **Directors** | K Bylund<br>C A C Fellenuis-Omnell |
| **Company secretary** | S Leven |
| **Registered number** | 02323034 |
| **Registered office** | Maple Cross House<br>Denham Way, Maple Cross<br>Rickmansworth<br>Hertfordshire<br>WD3 9SW |
| **Independent auditors** | Ernst & Young LLP<br>1 More London Place<br>London<br>SE1 2AF |

MARKTUNE LIMITED

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## DIRECTORS' REPORT
## FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

### Principal activity

The company was previously engaged in property investment but disposed of its only investment property in 2001. Since that date it has remained a cash shell.

### Dividends

The directors have not proposed the payment of any dividends for the year ending 31 December 2016 (2015: nil).

### Director

The director who served during the year and to the date of this report was as follows:

K Bylund
A I Hedbeck (resigned 13 December 2016)
C A C Fellenuis-Omnell (appointed 16 February 2017)

### Going concern

The company's business activities, together with the factors likely to affect its future development and financial position, are set out above. The directors, having given due consideration to these, believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook.

The company participates in the group's centralised treasury operations and so shares banking arrangements with its parent and fellow subsidiaries. The directors, having assessed the responses of the directors of the company's parent, Skanska AB, to their enquiries, have no reason to doubt the ability of Skanska AB to continue as a going concern or its ability to continue with the current banking arrangements. On the basis of their assessment of the company's financial position and of the enquries made of the directors of Skanska AB, the directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the company's fincnaial statements.

### Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

**Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 Section 1A - Small Entities 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 company will continue in business.

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

**Provision of information to auditor**

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

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

**Post balance sheet events**

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

**Auditors**

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**Small companies note**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2016

**Strategic report exemption**

The company has taken advantage of the exemption not to present a strategic report as allowed in accordance with Section 414(b) of the Companies Act 2006.

Katarina Bylund

**K Bylund**
Director

Date: 21 DEC 2017

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARKTUNE LIMITED

We have audited the financial statements of Marktune Limited for the year ended 31 December 2016 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

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

**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARKTUNE LIMITED

**Opinion on the other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report and take advantage of the small companies exemption in preparing the Directors' Report.

LLP

David Wilson (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

London

Date: 21 DEC 2017

## STATEMENT OF COMPREHENSIVE INCOME
## FOR THE YEAR ENDED 31 DECEMBER 2016

| | Note | 2016 £ | 2015 £ |
|---|---|---|---|
| *Administrative expenses* | | 11,993 | (5,460) |
| **Operating profit/(loss)** | | 11,993 | (5,460) |
| Interest receivable and similar income | | 8,923 | 9,654 |
| Interest payable and expenses | | (674) | - |
| **Profit before tax** | | 20,242 | 4,194 |
| *Tax on profit* | 6 | (3,919) | (751) |
| **Profit for the year** | | 16,323 | 3,443 |
| Other comprehensive income | | - | - |
| **Total comprehensive income for the year** | | 16,323 | 3,443 |

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 9 to 14 form part of these financial statements.

**MARKTUNE LIMITED**
**REGISTERED NUMBER: 02323034**

## STATEMENT OF FINANCIAL POSITION
## AS AT 31 DECEMBER 2016

| | Note | | 2016 £ | | 2015 £ |
|---|---|---|---|---|---|
| **Current assets** | | | | | |
| Debtors: amounts falling due within one year | 7 | 274 | | 424 | |
| Bank and cash balances | 8 | 1,586,228 | | 1,577,936 | |
| | | 1,586,502 | | 1,578,360 | |
| Creditors: amounts falling due within one year | 9 | (96,298) | | (104,479) | |
| **Net current assets** | | | 1,490,204 | | 1,473,881 |
| **Total assets less current liabilities** | | | 1,490,204 | | 1,473,881 |
| **Net assets** | | | 1,490,204 | | 1,473,881 |
| **Capital and reserves** | | | | | |
| Called up share capital | | | 555,000 | | 555,000 |
| Profit and loss account | | | 935,204 | | 918,881 |
| **Shareholders' equity** | | | 1,490,204 | | 1,473,881 |

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

Katarina Bylund

**K Bylund**
Director

Date: **21 DEC 2017**

The notes on pages 9 to 14 form part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY
## FOR THE YEAR ENDED 31 DECEMBER 2016

| | Called up share capital | Profit and loss account | Total equity |
|---|---|---|---|
| | £ | £ | £ |
| **At 1 January 2015** | 555,000 | 915,438 | 1,470,438 |
| **Comprehensive income for the year** | | | |
| Profit for the year | - | 3,443 | 3,443 |
| **Other comprehensive income for the year** | - | - | - |
| ***Total comprehensive income for the year*** | - | 3,443 | 3,443 |
| **Total transactions with owners** | - | - | - |
| **At 1 January 2016** | 555,000 | 918,881 | 1,473,881 |
| **Comprehensive income for the year** | | | |
| Profit for the year | - | 16,323 | 16,323 |
| **Other comprehensive income for the year** | - | - | - |
| **Total comprehensive income for the year** | - | 16,323 | 16,323 |
| **Total transactions with owners** | - | - | - |
| **At 31 December 2016** | 555,000 | 935,204 | 1,490,204 |

The notes on pages 9 to 14 form part of these financial statements.

## 1. General information

Marktune Limited is a company limited by shares incorporated in England and Wales. The address of its registered office is Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Hertfordshire, WD3 9SW.

The company was previously engaged in property investment but disposed of its only investment property in 2001. Since that date it has remained a cash shell.

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

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006.

This is the first financial year that the company has presented its financial statements in accordance with FRS 102 Section 1A. The date of transition to FRS 102 Section 1A is therefore 1 January 2015. Please refer to note 13 for further details of the transition.

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

For the year end 31 December 2016, Administrative expenses is an income item due to the release of accounts created in previous periods.

The following principal accounting policies have been applied:

### 2.2 Debtors

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

### 2.3 Cash and cash equivalents

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

## 2. *Accounting policies (continued)*

### 2.4 Financial Instruments

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

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

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

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

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

### 2.5 Creditors

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

### 2.6 Finance costs

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

## 2. Accounting policies (continued)

### 2.7 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

### 2.8 Taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

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

The directors consider that there have been no material judgements made in applying accounting policies. There were no material sources of estimation uncertainty.

## 4. Auditor's remuneration

| | 2016<br>£ | 2015<br>£ |
|---|---|---|
| Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements | 4,700 | 5,400 |

## 5. Employees

The average monthly number of employees, including directors, during the year was 2 (2015 - 2).

The directors did not receive any emoluments during the year (2015 - nil).

## 6. Taxation

| | 2016<br>£ | 2015<br>£ |
|---|---|---|
| **Corporation tax** | | |
| Current tax on profits for the year | 3,919 | 751 |
| **Total current tax** | 3,919 | 751 |
| **Deferred tax** | | |
| **Total deferred tax** | - | - |
| **Taxation on profit on ordinary activities** | 3,919 | 751 |

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

| | 2016<br>£ | 2015<br>£ |
|---|---|---|
| Profit on ordinary activities before tax | 20,242 | 4,194 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%) | 4,048 | 849 |
| **Effects of:** | | |
| Capital allowances for year in excess of depreciation | (129) | (98) |
| **Total tax charge for the year** | 3,919 | 751 |

## 6. Taxation (continued)

### Factors that may affect future tax charges

The company has estimated capital losses of £18,183,687 (2015: £18,183,687) available to be utilised against future capital gains. No deferred tax asset has been recognised in respect of these losses due to the uncertainty over the future utilisation of the losses.

A reduction in the UK corporation tax rate from 20% to 19% was substantively enacted in July 2015 and takes effect from 1 April 2017. A further reduction in the UK corporation tax rate to 17% from 1 April 2020, was substantively enacted in September 2016.

## 7. Debtors

| | 2016<br>£ | 2015<br>£ |
|---|---|---|
| Prepayments and accrued income | 274 | 424 |

## 8. Cash and cash equivalents

| | 2016<br>£ | 2015<br>£ |
|---|---|---|
| Cash at bank and in hand | 1,586,228 | 1,577,936 |

## 9. Creditors: Amounts falling due within one year

| | 2016<br>£ | 2015<br>£ |
|---|---|---|
| Amounts owed to group undertakings | 84,675 | 83,975 |
| Corporation tax | 5,508 | 1,589 |
| Accruals and deferred income | 6,115 | 18,915 |
| | 96,298 | 104,479 |

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand.

## 10. Related party transactions

The company is a wholly owned member of Skanska AB, and as such has taken advantage of the exemption permitted by section 33 Related Party Disclosures, not to provide disclosures of transaction entered into with other wholly owned members of the group.

At 31 December 2016, an amount of £79,209 (2015: £78,509) were owed to Trinity Tower Property Company Limited, a fellow subsidiary, and is included in amounts owed to group undertakings.

At 31 December 2016, an amount of £5,466 (2015: £5,466) was owed to Skanska UK plc and is included in amounts owed to group undertakings.

## 11. Post balance sheet events

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

## 12. Controlling party

The immediate parent company is Skanska Kraft AB, a company incorporated in Sweden.

The ultimate parent undertaking of the smallest and largest group of undertakings for which group accounts are drawn up and of which the company is a member is Skanska AB, a company registered in Sweden. Copies of its consolidated accounts are available to the public and may be obtained from Skanska UK plc, Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Herts, WD3 9SW.

## 13. First time adoption of FRS 102

This is the first financial year that the company has presented its financial statements in accordance with FRS 102 Section 1A - Small Entities 'The Financial Reporting Framework Applicable in the UK and Republic of Ireland' ("FRS 102"). For financial years up to and including the period ending 31 December 2015, the company prepared its financial statements in accordance with previously extant UK GAAP.

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

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