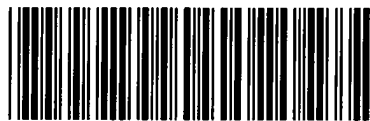


**JOHN LAING INFRASTRUCTURE LIMITED
ANNUAL REPORT
AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 DECEMBER 2017**

THURSDAY



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21/06/2018
COMPANIES HOUSE

Registered number: 4401816

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

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DIRECTORS, COMPANY SECRETARY AND AUDITOR

Directors

C B Waples

S M Colvin (appointed 31 March 2017)

D Potts (resigned 31 March 2017)

C T Cattermole (appointed 11 October 2016, resigned 29 March 2018)

Company secretary and registered office

P Naylor

1 Kingsway

London

WC2B 6AN

Auditor

Deloitte LLP

Statutory Auditor

2 New Street Square

London

EC4A 3BZ

STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2017, which has been prepared in compliance with section 414c of the Companies Act 2006.

Business review

The principal activity of John Laing Infrastructure Limited (the "Company" or the "Group") is the undertaking of investment activities on behalf of its ultimate parent, John Laing Group plc. The Group invests in a portfolio of investments in the subordinated loan stock and equity of Public Private Partnership ("PPP") infrastructure companies in the UK and Europe.

Results and performance

The Group's financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council ("FRC").

Group profit before tax was £21.0million (2016: £43.7 million).

At 31 December 2017, the Group had investments in three infrastructure project companies in its investment portfolio, which are all measured at fair value.

At 31 December 2017, the Group had no external borrowings (2016: £nil).

On 2 March 2017, the Company disposed of its 29.69% interest in Gdansk Transport Company SA. On 20 October 2017, the Company disposed of its 5% interest in City Greenwich Lewisham Rail Link plc.

Strategy

The Company invests in PPP infrastructure assets with a particular focus on road projects.

Key Performance Indicators ("KPIs")

The Board monitors the progress of the Group by reference to the following KPIs:

- Profit before tax

Profit before tax for the year ended 31 December 2017 was £21.0m million compared to £43.7 million for the year ended 31 December 2016. The reduction in profit before tax was primarily as a result of a lower fair value movement from the investment portfolio, which has reduced since 2016 following the divestments in 2017, and higher foreign currency gains in 2016.

- Net asset value ("NAV")

At 31 December 2017, the Group's NAV was £148.6 million compared to £260.6 million at 31 December 2016. The reduction in NAV is primarily due to a payment of a dividend during 2017 of £130.0m.

Further information on the performance of the John Laing Group is available in the 2017 John Laing Group plc Annual Report and Accounts which are publicly available from www.laing.com.

Principal risks and uncertainties

The principal risk faced by the Group is credit risk. The Company's exposure to liquidity risk is limited because it has significant net current assets including insignificant short term financial demands. Credit risk is reduced as the investments are in PPP projects, the revenues of which are derived from central and local governmental bodies.

Future developments

The Company seeks to benefit from income from the investments in its portfolio as well as to capitalise on further divestment opportunities.

The Company is not pursuing any other investments and will manage its existing portfolio until divestment of the investment or the end of the project term.

By order of the Board



S M Colvin

Director

14 June 2018

JOHN LAING INFRASTRUCTURE LIMITED

DIRECTORS' REPORT

The Directors submit their Annual Report and the audited financial statements for the year ended 31 December 2017.

The Company, incorporated in the United Kingdom, is a wholly owned subsidiary of John Laing Investments Limited. The ultimate parent company is John Laing Group plc whose shares are publicly traded on the London Stock Exchange.

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

In accordance with section 414 of the Companies Act 2006, further information regarding the Company's principal activity and key performance indicators is found within the Strategic Report on page 2.

Dividends paid in the year were £130 million (2016: £nil). The directors do not recommend a final dividend for the year (2016 - £nil).

GOING CONCERN REVIEW

The Directors have considered the use of the going concern basis in the preparation of the financial statements in light of current market conditions and concluded that it is appropriate. More information is provided in note 1 to the Group financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's current activities expose it to financial risks limited to just credit risk.

Credit risk

The Company's principal financial assets are investments at fair value through profit or loss and amounts owed from parent undertakings.

The Company's credit risk is primarily attributable to its investments. The amount is stated at fair value in the Group balance sheet. Credit risk is reduced as the investments are in PPP projects, the revenues of which are derived from central and local governmental bodies.

EVENTS SINCE THE BALANCE SHEET DATE

In January 2018, the concession agreement on the Severn River Crossings PPP project came to an end. The value of the Company's investment in this project will be realised in 2018.

Future developments

The Company seeks to benefit from income from the investments in its portfolio as well as to capitalise on further divestment opportunities.

DISCLOSURE OF INFORMATION TO THE AUDITOR

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

DIRECTORS' INDEMNITY PROVISIONS

The Company has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date.

DIRECTORS

The Directors who served throughout the year and up to the date of this report, except as noted, are shown on page 1.

AUDITOR

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and Deloitte LLP will therefore continue in office.

On behalf of the Board



S M Colvin

Director

14 June 2018

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual 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 (Group and Company) in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF JOHN LAING INFRASTRUCTURE LIMITED

Report on the audit of the financial statements

Opinion

In our opinion 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 31 December 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of John Laing Infrastructure Limited (the 'parent company') and its subsidiaries (the 'group') which comprise:

- the consolidated profit and loss account;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 23 of the group financial statements and related notes 1 to 10 of the company financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the Directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

Report on other legal and regulatory requirements

Opinions on other matters 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or

We have nothing to report in respect of these matters.



Daryl Winstone (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom

14 June 2018

JOHN LAING INFRASTRUCTURE LIMITED

Group Income Statement

for the year ended 31 December 2017

	Notes	2017 £'000	2016 £'000
Continuing operations			
Interest income	4	1,084	1,912
Dividend income	5	14,700	14,121
Net gains on investments at fair value through profit or loss	12	956	28,511
Other income		56	273
Operating income	6	16,796	44,817
Administrative expenses		17	(3,399)
Profit from operations	7	16,813	41,418
Finance income	8	4,156	2,280
Profit before tax		20,969	43,698
Tax	10	(3,076)	(1,114)
Profit after tax		17,893	42,584
Attributable to:			
Owner of the Company		17,893	42,584
		17,893	42,584

There is no other comprehensive income or expense apart from that disclosed above and consequently a separate statement of comprehensive income has not been prepared.

Group Statement of Changes in Equity
for the year ended 31 December 2017

	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2017	47,137	32,509	181,009	260,655
Profit after tax and total comprehensive income	-	-	17,893	17,893
Dividend paid	-	-	(130,000)	(130,000)
Balance at 31 December 2017	47,137	32,509	68,902	148,548

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	Called up share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2016	47,137	32,509	138,425	218,071
Profit after tax and total comprehensive income	-	-	42,584	42,584
Balance at 31 December 2016	47,137	32,509	181,009	260,655

Retained earnings and total comprehensive income

Retained earnings represents the accumulated profit or loss since the incorporation of the Company and accumulated revaluation arising on investments at fair value through profit and loss

Group Balance Sheet
as at 31 December 2017

	Notes	2017 £'000	2016 £'000
Non-current assets			
Investments at fair value through profit or loss	12	28,266	150,761
		<u>28,266</u>	<u>150,761</u>
Current assets			
Receivables - due within one year	13	124,752	115,816
Cash at bank and in hand		11	8
		<u>124,763</u>	<u>115,824</u>
Total assets		<u>153,029</u>	<u>266,585</u>
Current liabilities			
Payables - amounts falling due within one year	14	(3,451)	(5,930)
		<u>(3,451)</u>	<u>(5,930)</u>
Net current assets		<u>121,312</u>	<u>109,894</u>
Deferred tax liability	17	(1,030)	-
Total liabilities		<u>(4,481)</u>	<u>(5,930)</u>
Net assets		<u>148,548</u>	<u>260,655</u>
Equity			
Called up share capital	18	47,137	47,137
Share premium		32,509	32,509
Retained earnings		68,902	181,009
Equity attributable to owner of the Company		<u>148,548</u>	<u>260,655</u>

The financial statements of John Laing Infrastructure Limited, registered number 4401816, were approved by the Board of Directors and authorised for issue on 14 June 2018. They were signed on its behalf by:



S M Colvin
Director

14 June 2018

Group Cash Flow Statement

for the year ended 31 December 2017

	Notes	<u>2017</u> £'000	<u>2016</u> £'000
Net cash inflow from operating activities	19	<u>14,790</u>	<u>14,913</u>
Investing activities			
Proceeds from disposal of investments		124,389	28,602
Loan repayments from project companies		-	1,498
Loans to project companies		-	(260)
Net cash from / (used) in investing activities		<u>124,389</u>	<u>29,840</u>
Financing activities			
Loans to parent undertaking		(139,176)	(44,692)
Interest received on loan to parent undertaking		-	-
Net cash (used in) / from financing activities		<u>(139,176)</u>	<u>(44,692)</u>
Net increase / (decrease) in cash at bank and in hand		3	61
Cash at bank and in hand at beginning of the year		8	6
Effect of foreign exchange rate changes		-	(59)
Cash at bank and in hand at end of the year		<u>11</u>	<u>8</u>

Notes to the Group Financial Statements

1 General information

John Laing Infrastructure Limited (the "Company" or the "Group") is a private limited company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office of the Company is given page 1. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

Monetary amounts in these financial statements are rounded to the nearest £'000.

These financial statements are presented in pounds sterling, the functional currency and the currency of the primary economic environment in which the Company operates.

2 Accounting policies**a) Basis of preparation**

The financial statements have been prepared under the historic cost convention, modified to include certain items at fair value, and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council ("FRC").

The Company does not consolidate its investments in subsidiaries or joint ventures held as part of an investment portfolio in accordance with FRS 102 section 9.9. This is explained further in the basis of consolidation below.

b) Going concern

The Group's principal activity is to hold investments in PPP companies that provide services under certain private finance agreements. The infrastructure projects are set up as a special purpose companies under non-recourse arrangements and therefore the Group has limited exposure to their liabilities. In the event of default of an infrastructure project, the exposure is limited to the extent of the investment the Group has made. Having reviewed the Group's investment portfolio including the associated future cash requirements and forecast receipts, the Directors are satisfied that they have a reasonable expectation that the Group will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

c) Basis of consolidation

Investments in subsidiaries are held as part of an investment portfolio and accordingly, in accordance with FRS 102 section 9.9, are measured at fair value with changes in fair value recognised in profit or loss.

d) Investments in joint ventures

Investments in joint ventures are held as part of an investment portfolio and accordingly, in accordance with FRS 102 section 15.9 B, are measured at fair value with changes in fair value recognised in profit or loss.

e) Operating income

The Group earns operating income from returns on its investment portfolio by reference to the following policies:

Interest income

Interest income is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued by reference to the principal outstanding and the applicable interest rate.

Dividend income

Dividend income from investments in project companies and other investments at fair value through profit or loss (FVTPL) is recognised when the Group's rights to receive payment have been established. Dividend income is recognised gross of withholding tax, if any, and only when approved and paid by the project company.

Net gain on investments at FVTPL

Net gain on investments at FVTPL excludes interest and dividend income referred to above.

Other income

Fees receivable from project companies are recognised as services are provided.

Notes to the Group Financial Statements**2 Accounting policies (continued)****f) Financial instruments**

Financial assets and financial liabilities are recognised in the Group Balance Sheet when the Group becomes a party to the contractual provisions of the financial instrument.

Basic financial instruments, which primarily relate to amounts owed to and from parent, group and subsidiary undertakings are held at amortised cost using the effective interest method.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

Financial assets are assessed for indications of impairment at each balance sheet date. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

g) Taxation

The tax charge or credit represents the sum of tax currently payable and deferred tax.

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Group Income Statement because it excludes both items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted, or substantively enacted, by the balance sheet date.

Deferred tax

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in project companies, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The measurement of deferred tax liabilities on project companies reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the Group Income Statement except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

h) Cash at bank and in hand

Cash at bank and in hand comprises cash at bank and in hand and short term deposits with original maturities of three months or less.

i) Share capital

Ordinary shares are classified as equity instruments on the basis that they evidence a residual interest in the assets of the Company after deducting all its liabilities.

j) Foreign currencies

Exchange differences arising in the ordinary course of trading are reflected in the Group income statement.

Income and expense items are translated at the average exchange rates for the period. Monetary assets and liabilities expressed in foreign currency are reported at the rate of exchange prevailing at the balance sheet date or, if appropriate, at the forward contract rate. Any difference arising on the retranslation of these amounts is taken to the Group income statement.

Notes to the Group Financial Statements**3 Critical accounting judgement and key sources of estimation uncertainty**

In the application of the Group's accounting policies, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates made and the underlying assumptions on which they are based are reviewed regularly. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current

Fair value of investments in project companies

The Group measures at fair value the investments in subsidiaries and joint ventures that form part of an investment portfolio. These investments comprise investments in PPP/PFI project companies. The Group's policy is to fair value both the equity and subordinated debt investments in project subsidiaries, joint ventures and associates together. Subsequent to initial recognition, the investments are measured on a combined basis at fair value using discounted cash flow methodology, with changes recognised within operating income in the Group Income Statement.

A valuation of the Group's investment portfolio is prepared on a consistent, principally discounted cash flow basis at 30 June and 31 December. The valuation is carried out on a fair value basis assuming that forecast cash flows are received until maturity of the underlying assets.

A base case discount rate for an operational project is derived from secondary market information and other available data points. The base case discount rate is then adjusted to reflect project-specific risks. In addition, risk premia are added during the construction phase to reflect the additional risk during construction. These premia reduce over time as the project progresses through its construction programme, reflecting the significant reduction in risk once the project reaches the operating stage.

The cash flows on which the discounted cash flow valuation is based are those forecast to be distributable to the Company at each balance sheet date, derived from detailed financial models. These incorporate assumptions reflecting the Group's expectations of likely future cash flows including value enhancements.

Notes to the Group Financial Statements

4 Interest income	2017	2016
	£'000	£'000
Interest receivable on loans due from subsidiary and joint venture undertakings	1,084	1,912
	<u>1,084</u>	<u>1,912</u>
5 Dividend income	2017	2016
	£'000	£'000
Dividends from investments	14,700	14,121
	<u>14,700</u>	<u>14,121</u>
6 Operating income	2017	2016
Geographical analysis	£'000	£'000
UK	(751)	4,980
Europe	17,547	39,837
	<u>16,796</u>	<u>44,817</u>
7 Profit from operations	2017	2016
Profit from operations has been arrived at after charging:	£'000	£'000
Net foreign exchange gain/(loss)	1,701	3,649
Fees payable to Company's auditor for the audit of the Company's accounts	3	3
Fees payable to Company's auditor for the audit of the Company's subsidiaries' accounts	23	23
	<u>1,727</u>	<u>3,675</u>
Net foreign exchange gain in the year ended 31 December 2017 of £1,701,000 (2016 - £3,649,000 gain) is a result of retranslation of amounts receivable from subsidiary undertakings which are part of the investments at fair value through profit or loss.		
8 Finance income	2017	2016
	£'000	£'000
Interest receivable on amounts due from parent undertakings	4,156	2,280
	<u>4,156</u>	<u>2,280</u>

9 Employees and directors' remuneration

The Group had no employees during the year (2016 - nil).

No Directors received any remuneration for any services to the Group during the current or prior year. The Company is managed by secondees from the John Laing group.

Notes to the Group Financial Statements

10 Tax

The tax expense for the year comprises:

	2017 £'000	2016 £'000
Current tax:		
UK corporation tax expense - current period	(1,738)	(1,376)
UK corporation tax credit - prior period	(308)	119
Total current tax	(2,046)	(1,257)
Deferred tax:		
Deferred tax credit/(expense)	(1,166)	135
Impact of change in the UK tax rate	136	8
Total deferred tax (note 17)	(1,030)	143
Tax expense	(3,076)	(1,114)

The tax expense for the year can be reconciled to the profit in the Group Income Statement as follows:

	2017 £'000	2016 £'000
Profit before tax	20,969	43,698
Tax at the UK corporation tax rate of 19.25% (2016 - 20%)	(4,037)	(8,740)
Tax effect of dividend income not taxable	2,830	2,824
Tax effect of expenses and other similar items that are not deductible	(391)	(405)
Non-taxable movement on fair value of investments	(1,306)	5,104
Adjustments in respect of prior years	(308)	119
Tax effect of change in rate	136	(16)
Total tax expense for the period	(3,076)	(1,114)

For 2017 a tax rate of 19.25% has been applied (2016 - 20.0%). The main corporation tax rate reduced by 1% to 19% from 1 April 2017. The UK Government has announced its intention to reduce the main corporation tax rate by a further 2% to 17% from 1 April 2020.

11 Dividends paid

	2017 £'000	2016 £'000
Interim dividend paid - £2.76 per share (2016 - £nil per share)	130,000	-
	130,000	-

Notes to the Group Financial Statements

12 Investments at fair value through profit or loss

	2017	2016
	Project	Project
	companies	companies
	£'000	£'000
At 1 January	150,761	150,337
Investments in/acquisitions of project companies	(146)	793
Distributions	(14,700)	(16,311)
Disposals	(124,389)	(28,602)
Fair value movement	16,740	44,544
At 31 December	28,266	150,761

The fair value movement of £16,740,000 (2016 - £44,544,000) above is shown on the Group Income Statement as interest income of £1,084,000 (2016 - £1,912,000), dividend income of £14,700,000 (2016 - £14,121,000) and net gains on investments of fair value through profit or loss of £956,000 (2016 - £28,511,000).

Details of investments in project companies sold in the years ended 31 December 2017 and 31 December 2016 were as follows:

Company	Date of completion	Original holding %	Holding disposed of %	Retained holding %
Year ended 31 December 2017				
<u>Sold to other parties</u>				
Gdansk Transport Company SA	02 March 2017	29.69	29.69	-
<u>Sold to John Laing Infrastructure Fund (JLIF)</u>				
City Greenwich Lewisham Rail Link plc	20 October 2017	5	5	-
Year ended 31 December 2016				
<u>Sold to John Laing Infrastructure Fund (JLIF)</u>				
UK Highways A55 Limited	22 December 2016	100	100	-
<u>Sold to other parties</u>				
UK Highways Limited	30 November 2016	100	100	-

Notes to the Group Financial Statements

13 Receivables

	31 December 2017 £'000	31 December 2016 £'000
Due within one year		
Amounts owed from parent undertakings	124,752	115,783
Amounts owed from group undertakings	-	31
Other debtors	-	2
	<u>124,752</u>	<u>115,816</u>

Amounts owed by parent undertakings within one year are loans from parent undertakings of £120,596,000 (2016 - £113,503,000) and interest due on those loans of £4,156,000 (2016 - £2,280,000). These loans are payable on demand and interest is charged at 2.5% above base rate (2016 - 2.5% above base rate).

In the opinion of the Directors the fair value of debtors is equal to the carrying value.

14 Payables

	31 December 2017 £'000	31 December 2016 £'000
Due within one year		
Amounts owed to group undertakings	-	(3,216)
Accruals	(30)	(18)
Group relief payable	(3,421)	(2,696)
	<u>(3,451)</u>	<u>(5,930)</u>

Amounts owed to group undertakings and subsidiary undertakings are repayable on demand and no interest is charged.

JOHN LAING INFRASTRUCTURE LIMITED

Notes to the Group Financial Statements

15 Financial instruments

a) Financial instruments by category

	Cash and cash equivalents	Loans and receivables at amortised cost £'000	Assets at fair value through profit or loss £'000	Financial liabilities at amortised cost £'000	Total £'000
Continuing operations					
31 December 2017					
Non-current assets					
Investments at fair value through profit or loss	-	-	28,266	-	28,266
Current assets					
Debtors - due within one year	-	124,752	-	-	124,752
Cash at bank and in hand	11	-	-	-	11
Total financial assets	11	124,752	28,266	-	153,029
Current liabilities					
Creditors - amounts falling due within one year	-	-	-	(30)	(30)
Total financial liabilities	-	-	-	(30)	(30)
Net financial instruments	11	124,752	28,266	(30)	152,999

	Cash and cash equivalents	Loans and receivables at amortised cost £'000	Assets at fair value through profit or loss £'000	Financial liabilities at amortised cost £'000	Total £'000
Continuing operations					
31 December 2016					
Non-current assets					
Investments at fair value through profit or loss	-	-	150,761	-	150,761
Current assets					
Debtors - due within one year	-	115,816	-	-	115,816
Cash at bank and in hand	8	-	-	-	8
Total financial assets	8	115,816	150,761	-	266,585
Current liabilities					
Creditors - amounts falling due within one year	-	-	-	(3,234)	(3,234)
Total financial liabilities	-	-	-	(3,234)	(3,234)
Net financial instruments	8	115,816	150,761	(3,234)	263,351

Notes to the Group Financial Statements

15 Financial instruments (continued)

b) Foreign currency and interest rate profile of financial assets other than investments at FVTPL

	31 December 2016			31 December 2016		
	Financial assets			Financial assets		
	Floating rate	Non-interest bearing	Total	Floating rate	Non-interest bearing	Total
Currency	£'000	£'000	£'000	£'000	£'000	£'000
Sterling	120,596	4,163	124,759	113,503	2,283	115,786
Euro	-	2	2	-	36	36
Canadian dollars	-	2	2	-	2	2
	120,596	4,167	124,763	113,503	2,321	115,824

c) Foreign currency and interest rate profile of financial liabilities

The Group's financial liabilities at 31 December 2017 were £0.03 million (31 December 2016 - £3.2 million), of which £nil (31 December 2016 - £nil) related to short-term cash borrowings.

	31 December 2017			31 December 2016		
	Financial liabilities			Financial liabilities		
	Fixed rate	Non-interest bearing	Total	Fixed rate	Non-interest bearing	Total
Currency	£'000	£'000	£'000	£'000	£'000	£'000
Sterling	-	(30)	(30)	-	(3,234)	(3,234)
	-	(30)	(30)	-	(3,234)	(3,234)

16 Financial risk management

The Group's activities have exposed it to a variety of financial risks: market risk (including interest rate risk and inflation risk), credit risk, price risk, liquidity risk, and capital risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's current activities have reduced and following divestment of two investments in the year ended 31 December 2017 it now only holds three investments in underlying projects, one of which it has valued at £nil and one of which will be realised in 2018. The Group is not making new investments and at 31 December 2017 it had significant net current assets. Accordingly, the Group's principal risk currently is limited to credit risk.

For the parent company and its recourse subsidiaries, financial risks are managed by a central treasury operation which operates within Board approved policies. The exposure to various types of financial risk are as follows:

Market risk - interest rate risk

The Group's interest rate risk arises due to fluctuations in interest rates which impact on the value of returns from floating rate deposits.

The exposure of the Group's financial assets to interest rate risk is as follows:

	31 December 2017			31 December 2016		
	Interest bearing			Interest bearing		
	Floating rate	Non-interest bearing	Total	Floating rate	Non-interest bearing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Financial assets						
Investments at fair value through profit or loss	-	28,266	28,266	-	150,761	150,761
Debtors	120,596	4,156	124,752	113,503	2,313	115,816
Cash and cash equivalents	-	11	11	-	8	8
	120,596	32,433	153,029	113,503	153,082	266,585

The exposure of the Group's financial liabilities to interest rate risk is as follows:

	31 December 2017			31 December 2016		
	Interest bearing			Interest bearing		
	Floating rate	Non-interest bearing	Total	Floating rate	Non-interest bearing	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Financial liabilities						
Creditors - amounts falling due within one year	-	(30)	(30)	-	(3,234)	(3,234)
	-	(30)	(30)	-	(3,234)	(3,234)

Notes to the Group Financial Statements

16 Financial risk management (continued)

Market risk - inflation risk

The Group has limited direct exposure to inflation risk, but the fair value of investments is determined by future revenue and costs which are linked to inflation. This results in the fair value of investments being sensitive to inflation. This risk is limited because, of the Group's three remaining investments in projects, one is valued at £nil at 31 December 2017 and one will be realised in 2018 and therefore has insignificant inflation risk.

Credit risk

The project companies in which the Group invests receive revenue from government departments, public sector or local authority clients and/or directly from the public for example, via the collection of tolls. As a result, these projects tend not to be exposed to significant credit risk.

Price risk

The Group has limited direct exposure, the fair value of project companies in which the Group invests is dependent on the receipt of fixed fee income from government departments, public sector or local authority clients. As a result, these projects tend not to be exposed to price risk.

Maturity of financial assets

The maturity profile of the Group's financial assets, excluding investments at FVTPL, is as follows:

	Continuing operations 31 December 2017			Continuing operations 31 December 2016		
	Less than one year £'000	Greater than one year £'000	Total £'000	Less than one year £'000	Greater than one year £'000	Total £'000
Debtors	124,752	-	124,752	115,816	-	115,816
Cash at bank and in hand	11	-	11	8	-	8
Financial assets (excluding investments at FVTPL)	124,763	-	124,763	115,824	-	115,824

None of the financial assets is either overdue or impaired.

The maturity profile of the Group's financial liabilities is as follows:

	31 December 2017 £'000	31 December 2016 £'000
In one year or less, or on demand	(30)	(3,234)
In more than one year but less than two years	-	-
In more than two years but less than five years	-	-
In more than five years	-	-
Total	(30)	(3,234)

Capital risk

The Group seeks to adopt efficient financing structures that enable it to manage capital effectively to achieve the Group's objectives without putting shareholder value at risk. The Group's capital structure comprises its equity (as set out in the Group Statement of Changes in Equity).

Notes to the Group Financial Statements

17 Deferred tax liability

The following are the major deferred tax liabilities and movement therein recognised by the Group i ended 31 December 2017 and 31 December 2016.

	Deferred tax on fair value of investments <u>£'000</u>
Opening liability at 1 January 2017	-
Charge to income - current year	(1,030)
Closing liability at 31 December 2017	<u>(1,030)</u>
Opening liability at 1 January 2016	-
Charge to income - current year	-
Closing liability at 31 December 2016	<u>-</u>

A deferred tax liability has been recognised on £6.1 million (31 December 2016 - £nil) relating to future interest receivable from investments held at fair value.

Notes to the Group Financial Statements

18 Share capital

	2017 £'000	2016 £'000
Allotted, called up and fully paid:		
47,136,795 ordinary shares of £1.00 each	47,137	47,137

The Company has one class of ordinary shares which carry no right to fixed income.

19 Net cash inflow from operating activities

	2017 £'000	2016 £'000
Profit from operations	16,813	41,418
Adjustments for:		
Unrealised profit arising on changes in fair value of investments in project companies (note 11)	(956)	(28,511)
Operating cash inflow before movements in working capital	15,857	12,907
Decrease/(increase) in debtors	33	(5)
Increase in interest receivable	(1,245)	(1,222)
Increase in creditors	145	3,233
Cash inflow from operations	14,790	14,913
Income taxes received / (paid)	-	-
Net cash inflow from operating activities	14,790	14,913

20 Guarantees, contingent assets and liabilities and other commitments

At 31 December 2017, the Company was a guarantor under the Group's £475 million syndicated, committed, revolving credit facility and associated credit facilities. At 31 December 2017, the total amount utilised under these facilities, and hence guaranteed by the Company, was £335.8 million (2016 - £284.1 million).

At 31 December 2017, the Company had no future commitments on investments (31 December 2016 - £nil).

Notes to the Group Financial Statements

21 Transactions with related parties

As a wholly owned subsidiary of John Laing Group plc, the Company has taken advantage of the exemption under FRS 102 Section 33 not to provide information on related party transactions with other undertakings in the John Laing Group plc group. A copy of the published financial statements of John Laing Group plc can be obtained from www.laing.com.

The Group entered into the following trading transactions with project companies:

	<u>2017</u> <u>£'000</u>	<u>2016</u> <u>£'000</u>
Interest income from project companies	102	1,205
Dividend income from project companies	14,700	14,121
Other income from project companies	56	273
Balances at year end		
Amounts due from project companies	-	31
Subordinated debt loans to project companies	<u>9,375</u>	<u>17,149</u>

Notes to the Group Financial Statements

22 Investments

Company name	Ownership interest	Operation	Country of incorporation	Registered office
<u>Investment entity subsidiary companies (measured at fair value)</u>				
John Laing Infrastructure (German Holdings) Limited	100%	Intermediary holding company	United Kingdom	Note 1
John Laing Infrastructure (A1 Mobil Holdings) Limited	100%	Intermediary holding company	United Kingdom	Note 1
<u>Subsidiary project companies (measured at fair value)</u>				
CountyRoute (A130) plc	100%	Road concession operator	United Kingdom	Note 2
CountyRoute 2 Limited	100%	Road concession operator	United Kingdom	Note 2
CountyRoute Limited	100%	Road concession operator	United Kingdom	Note 2
<u>Joint venture project companies (measured at fair value)</u>				
Severn River Crossing plc	35.00%	Toll bridge concessionaires	United Kingdom	Note 3

Notes:

- 1) The registered office of these companies is: 1 Kingsway, London, WC2B 6AN
- 2) The registered office of these companies is: 8 White Oak Square, London Road, Swanley, Kent, BR8 7AG
- 3) The registered office of this company is: Bridge Access Road, Aust, South Gloucestershire, BS35 4BD

23 Post balance sheet events

In January 2018, the concession agreement on the Severn River Crossings PPP project came to an end. The value of the Company's investment in this project will be realised in 2018.

JOHN LAING INFRASTRUCTURE LIMITED

Company Balance Sheet
as at 31 December 2017

	Notes	2017 £'000	2016 £'000
Non-current assets			
Investments	2	2,537	13,996
Current assets			
Debtors			
- due within one year	3	143,177	127,533
Cash at bank and in hand	4	11	8
		<u>143,188</u>	<u>127,541</u>
Current liabilities			
Creditors: amounts falling due within one year	5	(3,451)	(5,932)
Net current assets		<u>139,737</u>	<u>121,609</u>
Total assets less current liabilities		142,274	135,605
Net assets		<u>142,274</u>	<u>135,605</u>
Capital and reserves			
Called up share capital	7	47,137	47,137
Share premium account		32,509	32,509
Profit and loss account		62,628	55,959
Shareholder's funds		<u>142,274</u>	<u>135,605</u>

In accordance with section 408 of the Companies Act 2006, no separate profit and loss account has been presented for the Company. For the year ended 31 December 2017, the Company reported a profit of £136.6 million (2016 - £21.9 million).

The financial statements of John Laing Infrastructure Limited, registered number 4401816, were approved by the Board of Directors and authorised for issue on 14 June 2018. They were signed on its behalf by:



S M Colvin
Director
14 June 2018

Company Statement of Changes in Equity
for the year ended 31 December 2017

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2017	47,137	32,509	55,959	135,605
Profit after tax and total comprehensive income	-	-	136,669	136,669
Dividends paid	-	-	(130,000)	(130,000)
Balance at 31 December 2017	47,137	32,509	62,628	142,274

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2016	47,137	32,509	34,060	113,706
Profit after tax and total comprehensive income	-	-	21,899	21,899
Balance at 31 December 2016	47,137	32,509	55,959	135,605

Profit and loss

The profit and loss account represents the accumulated profit or loss since the incorporation of the Company

Notes to the Company Financial Statements for the year ended 31 December 2017

1 ACCOUNTING POLICIES**a) Basis of preparation of accounts**

The financial statements have been prepared under the historic cost convention and in accordance with Financial Reporting Standard 102 ("FRS 102") issued by the Financial Reporting Council ("FRC"). These financial statements are presented in pounds sterling, the functional currency and the currency of the primary economic environment in which the Company operates. The principle accounting policies of the Company are set out below.

The Company's principal activity is to hold investments in PPP project companies that provide services under certain private finance agreements. The infrastructure projects are set up as a special purpose companies under non-recourse arrangements and therefore the Company has limited exposure to their liabilities. In the event of default of an infrastructure project, the exposure is limited to the extent of the investment the Company has made. Having reviewed the Company's investment portfolio including the associated future cash requirements and forecast receipts, and the level of facilities within the John Laing Group plc corporate banking facility to which the Company is a co-borrower, the Directors are satisfied that they have a reasonable expectation that the Company will have access to adequate resources to continue in existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

The Directors authorised payment of a dividend of £130.0 million (2016 - £nil million) during the year.

b) Revenue recognition

Revenue recognition is determined by reference to the following policies:

- Dividend income from investments in project companies and other investments is recognised when the Company's right to receive payment has been established. Dividend income is recognised gross of withholding tax, if any, and only when approved and paid by the project company.
- Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued by reference to the principal outstanding and the applicable interest rate.

c) Investments

Fixed asset investments are shown at cost less provision for impairment.

An impairment is reversed in the current period, to the extent of the carrying value of the investment had the original impairment not occurred, if there is a change in economic conditions or a change in expected use of the investment. If the increase in value of the investment arises from mechanical factors affecting the discounted present value, such as the passage of time either bringing future cash inflows closer or overtaking future cash outflows, such an increase in value is not considered to be a reversal of the events or circumstances which led to the impairment in the first place.

Notes to the Company Financial Statements for the year ended 31 December 2017 (continued)

1 ACCOUNTING POLICIES (CONTINUED)

d) Taxation

Current tax, including United Kingdom corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

In accordance with section 29 of FRS 102: Deferred Tax, deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are not discounted.

e) Foreign currency

Translations into sterling are made at the average rates ruling throughout the year for profit and loss account items.

Exchange differences arising in the ordinary course of trading are reflected in the profit and loss account; those arising on translation of net equity are dealt with as a movement in reserves.

Monetary assets and liabilities expressed in foreign currency are reported at the rate of exchange prevailing at the balance sheet date, or if appropriate, at the forward contract rate. Any difference arising on retranslation of these amounts is taken to the profit and loss account.

f) Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities. These estimates and assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from estimates.

The critical accounting estimate in the preparation of the accounts is impairment of investments. Impairment is assessed based on the valuation of the investment. The valuation is carried out on a fair value basis assuming that forecast cash flows are received until maturity of the project. A base case discount rate is derived from secondary market information and other available data points. The base case discount rate is then adjusted to reflect project-specific risks. The cash flows on which the discounted cash flow valuation is based are those forecast to be distributable to the Company at each balance sheet date. These incorporate assumptions reflecting the Company's expectations of likely future cash flows including value enhancements.

Notes to the Company Financial Statements for the year ended 31 December 2017 (continued)

2 INVESTMENTS

	Subsidiary undertakings	Joint ventures		Total
	Equity £'000	Equity £'000	Loans £'000	£'000
Cost				
At 1 January 2017	3,047	6,223	7,773	17,043
Additions	-	(4,706)	(7,773)	(12,479)
At 31 December 2017	3,047	1,517	-	4,564
Provisions for impairment				
At 1 January 2017	(3,047)	-	-	(3,047)
Credit for the year	1,020	-	-	1,020
At 31 December 2017	(2,027)	-	-	(2,027)
Net book value				
At 31 December 2017	1,020	1,517	-	2,537
At 31 December 2016	-	6,223	7,773	13,996

The Company's subsidiary and joint venture undertakings are listed on page 23.

Significant additions and disposals:

On 2 March 2017, the Company disposed of its 29.69% interest in Gdansk Transport Company SA.

On 20 October 2017, the Company disposed of its 5% interest in City Greenwich Lewisham Rail Link plc.

3 DEBTORS

	2017 £'000	2016 £'000
Due within one year		
Amounts owed from parent undertakings	124,751	115,783
Amounts owed from subsidiary undertakings	18,426	11,636
Amounts owed by joint ventures	-	110
Other debtors	-	4
	143,177	127,533

Amounts owed by parent undertakings within one year are loans from parent undertakings of £120,596,000 (2016 - £113,503,000) and interest due on those loans of £4,156,000 (2016 - £2,280,000). These loans are payable on demand and interest is charged at 2.5% above base rate (2016 - 2.5% above base rate).

Amounts owed from subsidiary undertakings, which comprise loans and accrued interest on the loans, are net of impairments of £47,188,000 (2016 - £51,905,000). The loans are repayable in line with agreements with the undertakings and interest is charged at agreed arms length interest rates.

4 CASH AT BANK AND IN HAND

	2017 £'000	2016 £'000
Cash at bank and in hand	11	8
	11	8

Notes to the Company Financial Statements for the year ended 31 December 2017 (continued)

5 CREDITORS

	2017 £'000	2016 £'000
Amounts falling due within one year		
Amounts owed to group undertakings	-	(3,216)
Amounts owed to subsidiary undertakings	-	(1)
Group relief payable	(3,421)	(2,696)
Accruals and deferred income	(30)	(19)
	<u>(3,451)</u>	<u>(5,932)</u>

The amounts owed to group undertakings are payable on demand and no interest is charged.

6 CAPITAL COMMITMENTS, CONTINGENT LIABILITIES AND FINANCIAL COMMITMENTS

At 31 December 2017, the Company was a guarantor under the Group's £475 million syndicated, committed, revolving credit facility and associated credit facilities. At 31 December 2017, the total amount utilised under these facilities, and hence guaranteed by the Company, was £335.8 million (2016 - £284.1 million).

At 31 December 2017, the Company had no future commitments on investments (31 December 2016 - £nil).

7 CALLED UP SHARE CAPITAL

	2017 £'000	2016 £'000
Allotted, called up and fully paid:		
47,136,795 ordinary shares of £1.00 each	<u>47,137</u>	<u>47,137</u>

8 TRANSACTIONS WITH RELATED PARTIES

As a wholly owned subsidiary of John Laing Group plc, the Company has taken advantage of the exemption under FRS 102 Section 33 not to provide information on related party transactions with other undertakings in the John Laing Group plc group. A copy of the published financial statements of John Laing Group plc can be obtained from www.laing.com.

9 ULTIMATE PARENT UNDERTAKING

The Company's immediate parent company is John Laing Investments Limited, a company incorporated in the United Kingdom.

The Company's ultimate parent and controlling entity at 31 December 2017 is John Laing Group plc, a company incorporated in the United Kingdom. Copies of the Group accounts of John Laing Group plc are available from its registered office at 1 Kingsway, London, WC2B 6AN. Company results were not consolidated by any of its parent undertakings.

10 EVENTS AFTER THE BALANCE SHEET DATE

In January 2018, the concession agreement on the Severn River Crossings PPP project came to an end. The value of the Company's investment in this project will be realised in 2018.