

Company Registration No. 5132286 (England and Wales)

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

WEDNESDAY



\*A771F8XL\*

30/05/2018

COMPANIES HOUSE

A12

#96

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	C J Tanner D Hardy F Dufficy G Mazzoni C Holmes (Appointed 13 February 2018)
<b>Secretary</b>	P Naylor
<b>Company number</b>	5132286
<b>Registered office</b>	1 Kingsway London United Kingdom WC2B 6AN
<b>Auditor</b>	Deloitte LLP Chartered Accountants and Statutory Auditor London United Kingdom
<b>Bankers</b>	Barclays Bank Plc Level 28 1 Churchill Place London E14 5HP

---

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## CONTENTS

---

	Page
Strategic report	1
Directors' report	2 - 3
<i>Directors' responsibilities statement</i>	4
Independent auditor's report	5 - 7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 17

---

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

The Directors present the strategic report for the year ended 31 December 2017.

### **Business review and principal activities**

John Laing Capital Management Limited (the "Company" or "JLCM") is regulated by the Financial Conduct Authority.

The principal activity of the Company is the provision of advice to collective investment schemes specialising in infrastructure investment and renewable energy projects.

The Company is the Investment Adviser to John Laing Infrastructure Fund Limited (JLIF) and John Laing Environmental Assets Group Limited (JLEN), under Investment Advisory Agreements.

Base fees and asset origination fees that JLCM is entitled to under the JLIF Investment Advisory Agreement were paid in full to JLCM under that agreement. JLIF's director fees that JLCM is entitled to under the Investment Advisory Agreement were paid to the Company in full such that no further allocation of Partnership profit was due to the Company for this accounting period. Base fees that JLCM is entitled to under the JLEN Investment Advisory Agreement were paid in full to JLCM under that agreement.

### **Principal risks and uncertainties**

JLCM is providing advisory services to two funds (JLIF and JLEN). The main risk faced by JLCM that would adversely impact its business is the Investment Advisory Agreements not being renewed or being terminated.

The Company, supported by other parts of the John Laing Group, is focused on delivering a high quality service to both funds.

### **Key Performance Indicators**

Profit before tax was £4.2 million (2016: £5.2 million).

As at 31 December 2017, the total value of the portfolio of assets for which the Company provides advisory services was £1.8 billion (2016: £1.5 billion).

As at 31 December 2017, the net asset for the company were £7.6 million (2016: £6.0 million).

On behalf of the board



C J Tanner

**Director**

23 April 2018

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

The Directors present their annual report and financial statements for the year ended 31 December 2017.

### Going concern

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. In reaching this conclusion, the Directors have specifically considered the Company's relationship with its immediate parent company. More information is provided in note 1 to the financial statements.

### Principal activities

The principal activity of the Company is the provision of advice to collective investment schemes specialising in investment in infrastructure and renewable energy projects.

### Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows:

C J Tanner

D Hardy

F Dufficy

A Charlesworth

(Resigned 19 May 2017)

G Mazzoni

C Holmes

(Appointed 13 February 2018)

### Results and dividends

The results for the year are set out on page 8.

Interim dividends were paid amounting to £1.9 million (2016: £4.0 million). The Directors do not recommend payment of a final dividend (2016: £nil).

### Directors' insurance

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.

### Future developments

The Directors are not aware, at the date of this report, of any major changes in the Company's activities in the next year.

### Auditor

The auditor, Deloitte LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

### Statement of disclosure to auditor

Each of the Directors in office at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the Director has taken all the steps that he / she ought to have taken as a director in order to make himself / 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.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2017**

---

### Public disclosure on return of assets

The Company is classified as an IFPRU €125,000 limited firm by its regulator, the Financial Conduct Authority.

Under IFPRU 9.1.3 implementing article 90 of CRD, a firm must disclose in its annual report and accounts its return on assets, calculated as its net profit divided by its total balance sheet assets.

For the year ended 31 December 2017, the return on assets was 27.4% (net profit of £3,508,619 divided by total assets of £12,795,598).

### Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and capital risk. The Company's overall risk management programme seeks to minimise potential adverse effects on the Company's financial performance.

The various types of financial risk are managed as follows:

#### Capital risk;

The Company has implemented an efficient financing structure that enables it to manage its capital effectively. The Company's capital structure comprises its equity only (refer to the Statement of Changes in Equity). As at 31 December 2017 the Company had no debt (2016: £nil).

#### Liquidity risk;

The Directors monitor the Company's liquidity requirements to ensure there is sufficient cash to meet the Company's operating needs. The Company adopts a prudent approach to liquidity management by maintaining sufficient cash to meet its obligations. Due to the nature of its activity the timing of cash outflows is reasonably predictable and, therefore, is not a major risk to the Company.

The Company was in a net cash position and had no outstanding debt at the balance sheet date (2016: £nil).

#### Credit risk;

Credit risk is the risk that a counterparty of the Company will default on the contractual obligations they entered into. The Company relies on the performance of their main counterparties where credit risk arises, mainly from its two clients and from its parent undertaking.

The risk arises from the clients' inability to pay the quarterly invoices under the investment advisory agreements. The Company and its Directors regularly monitor the clients' and Company's parent undertaking financial strengths and their ability fulfil their financial commitments towards the Company.

On behalf of the board



C J Tanner

Director

23 April 2018

# **JOHN LAING CAPITAL MANAGEMENT LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2017***

---

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 in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including 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 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 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.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF JOHN LAING CAPITAL MANAGEMENT LIMITED

---

#### Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its 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 Capital Management Limited which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 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 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.



# **JOHN LAING CAPITAL MANAGEMENT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF JOHN LAING CAPITAL MANAGEMENT LIMITED**

---

#### **Respective responsibilities of directors and auditor**

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 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 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](http://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 the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have 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.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF JOHN LAING CAPITAL MANAGEMENT LIMITED

---

#### **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, 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.

We have nothing to report in respect of these matters.

D. Winstone e

23 April 2018

**Daryl Winstone (Senior Statutory Auditor)**

**for and on behalf of Deloitte LLP**

Chartered Accountants and Statutory Auditor

London

United Kingdom

2 New Street Square

EC4A 3BZ

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
<b>Turnover</b>	<b>3</b>	16,757,996	15,808,518
Cost of sales		(12,479,581)	(10,615,753)
<b>Gross profit</b>		<u>4,278,415</u>	<u>5,192,765</u>
Administrative expenses		(394,300)	(427,923)
<b>Operating profit</b>	<b>4</b>	<u>3,884,115</u>	<u>4,764,842</u>
Interest receivable and similar income	<b>8</b>	341,205	463,794
<b>Profit before taxation</b>		<u>4,225,320</u>	<u>5,228,636</u>
Taxation	<b>9</b>	(716,701)	(1,045,727)
<b>Profit for the financial year</b>		<u><u>3,508,619</u></u>	<u><u>4,182,909</u></u>

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

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
<b>Current assets</b>					
Debtors	11	12,641,837		10,444,239	
Cash at bank and in hand		153,761		153,310	
		<u>12,795,598</u>		<u>10,597,549</u>	
<b>Creditors: amounts falling due within one year</b>	12	(5,239,436)		(4,650,006)	
<b>Net assets</b>		<u>7,556,162</u>		<u>5,947,543</u>	
<b>Capital and reserves</b>					
Called up share capital	13	550,000		550,000	
Profit and loss reserves		7,006,162		5,397,543	
<b>Total equity</b>		<u>7,556,162</u>		<u>5,947,543</u>	

The financial statements were approved by the Board of Directors and authorised for issue on 23 April 2018 and are signed on its behalf by:



C J Tanner  
Director

Company Registration No. 5132286

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	Called up share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2016</b>		550,000	5,214,634	5,764,634
<b>Period ended 31 December 2016:</b>				
Profit and total comprehensive income for the year		-	4,182,909	4,182,909
Dividends	10	-	(4,000,000)	(4,000,000)
<b>Balance at 31 December 2016</b>		550,000	5,397,543	5,947,543
<b>Period ended 31 December 2017:</b>				
Profit and total comprehensive income for the year		-	3,508,619	3,508,619
Dividends	10	-	(1,900,000)	(1,900,000)
<b>Balance at 31 December 2017</b>		550,000	7,006,162	7,556,162

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies

#### Company information

John Laing Capital Management Limited is a private company limited by shares incorporated in Great Britain and registered in England and Wales. The registered office is 1 Kingsway, London, United Kingdom, WC2B 6AN.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in respect of financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

#### 1.2 Going concern

At the time of approving the financial statements, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents amounts receivable for advisory fees and excludes value added tax. Where fees are success based they are recognised as they occur and are not accrued.

#### 1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.5 Financial assets

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 1 Accounting policies

(Continued)

#### **Loans and receivables**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

### 1.6 Financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies

(Continued)

#### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

### 1.7 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

### 1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

## 2 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 amount of assets and liabilities that are not readily apparent from other sources. 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 and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Company does not have any key assumptions concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.



# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 3 Turnover and other revenue

An analysis of the Company's turnover is as follows:

	2017 £	2016 £
<b>Turnover</b>		
Fund management fee income	16,534,570	14,110,544
Asset origination fee income	61,098	1,556,175
Service fee income	162,328	141,799
	<u>16,757,996</u>	<u>15,808,518</u>

#### Other significant revenue

Interest income	<u>341,205</u>	<u>463,794</u>
-----------------	----------------	----------------

#### Turnover analysed by geographical market

	2017 £	2016 £
United Kingdom	193,686	180,313
Guernsey	<u>16,564,310</u>	<u>15,628,205</u>
	<u>16,757,996</u>	<u>15,808,518</u>

### 4 Operating profit

	2017 £	2016 £
Operating profit for the year is stated after charging:		
Exchange losses	<u>16</u>	<u>894</u>

### 5 Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the company's financial statements	<u>8,615</u>	<u>8,364</u>
<b>For other services</b>		
Audit-related assurance services	<u>12,500</u>	<u>5,305</u>

### 6 Employees

The Company had no employees during the current or prior year.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 7 Directors' remuneration

	2017 £	2016 £
Remuneration for qualifying services - Emoluments	20,000	20,000

The Directors of the Company, other than the Chairman, have provided their services through a management services contract and therefore did not receive remuneration direct from the Company.

### 8 Interest receivable and similar income

	2017 £	2016 £
Interest income		
Interest receivable from group companies	341,205	463,794

### 9 Taxation

	2017 £	2016 £
Current tax		
UK corporation tax on profits for the current period	813,374	1,045,727
Adjustments in respect of prior periods	(96,673)	-
Total current tax	716,701	1,045,727

The actual expense for the year can be reconciled to the expected expense for the year based on the profit and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	4,225,320	5,228,636
Expected tax expense based on a corporation tax rate in the UK of 19.25% (2016: 20.00%)	813,374	1,045,727
Adjustments in respect of prior years	(96,673)	-
Taxation for the year	716,701	1,045,727

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 10 Dividends

	2017 £ per share	2016 £ per share	2017 £	2016 £
Amounts recognised as distributions to equity holders:				
<b>Ordinary shares</b>				
<b>550,000 Ordinary shares of £1 each</b>				
Interim paid	3.45	7.27	1,900,000	4,000,000

### 11 Debtors

	2017 £	2016 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,284,944	3,774,759
Amounts due from parent undertakings	8,316,681	6,641,513
Other debtors	6,638	4,138
Prepayments and accrued income	33,574	23,829
	<u>12,641,837</u>	<u>10,444,239</u>

Amounts due from parent undertakings in the current and prior year are repayable on demand and interest is charged at 2.5% above base rate.

### 12 Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts due to fellow group undertakings	3,207,362	2,837,711
Corporation tax	1,859,101	1,762,318
Accruals and deferred income	172,973	49,977
	<u>5,239,436</u>	<u>4,650,006</u>

The amounts due to fellow group undertakings are repayable in line with invoice terms.

# JOHN LAING CAPITAL MANAGEMENT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 13 Share capital and other reserves

	2017 £	2016 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
550,000 Ordinary shares of £1 each	550,000	550,000

#### Other Reserves

The Company's other reserves are as follows:

The profit and loss reserve represents cumulative profits or losses adjusted by dividends distributed during the year.

### 14 Related party transactions

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 at [www.laing.com](http://www.laing.com).

### 15 Controlling party

The Company's immediate and ultimate parent company is John Laing Group plc, a Company incorporated in Great Britain and registered in England and Wales. The smallest and largest group in which its results are consolidated is John Laing Group plc. The registered office is 1 Kingsway, London, United Kingdom, WC2B 6AN. Copies of the consolidated accounts are available at [www.laing.com](http://www.laing.com).