

Registration number: 05859313

L.R.R. Holdings Limited

Annual Report and Financial Statements

for the Period from 1 August 2015 to 31 December 2016

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L.R.R. Holdings Limited

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L.R.R. Holdings Limited

Company Information

Directors	T G Bowen N A Curry A C Ferguson A J Vaughan T A Wood
Company secretary	T A Wood
Registered office	Costain House Vanwall Business Park Maidenhead Berkshire SL6 4UB
Auditors	KPMG LLP 15 Canada Square London E14 5GL

L.R.R. Holdings Limited

Directors' Report for the Period from 1 August 2015 to 31 December 2016

The directors present their report and the financial statements for the period from 1 August 2015 to 31 December 2016.

Directors' of the company

The directors, who held office during the period, were as follows:

T G Bowen (appointed 14 August 2015)

N A Curry

A C Ferguson

A J Vaughan (appointed 14 August 2015)

T A Wood - Company secretary and director (appointed 14 August 2015)

Principal activity

The principal activity of the company is management services and that of a holding company.

Business review

Fair review of the business

The profit before tax for the 17 months ended 31 December 2016 is £114,540 (year ended 31 July 2015: loss of £621).

During the period ending 31 December 2016 the company disposed of some of its investments in its subsidiary undertakings which had a carrying value of £Nil to a fellow undertaking in the group headed by Costain Group PLC. The gain on these disposals is disclosed in Note 3.

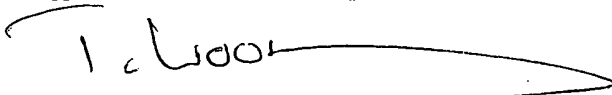
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

During 2016, Costain Group PLC, the company's ultimate parent, decided to change its auditors in recognition of good governance. A number of firms were approached to tender for the audit and it has been recommended to the Board that PricewaterhouseCoopers LLP be proposed as auditor of Costain Group PLC and its subsidiary companies. As a result of the tender, KPMG LLP's appointment will expire following the approval of these accounts by the directors and appointment of PricewaterhouseCoopers LLP as the company's auditor for the financial year ending 31 December 2017 will be proposed at the company's AGM.

Approved by the Board on 26 April 2017 and signed on its behalf by:



.....
T A Wood
Company secretary and director

L.R.R. Holdings Limited

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *'Reduced Disclosure Framework'*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent Auditor's Report to the members of L.R.R. Holdings Limited

We have audited the financial statements of L.R.R. Holdings Limited for the period from 1 August 2015 to 31 December 2016, set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 '*Reduced Disclosure Framework*'.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Directors' Report:

- we have not identified material misstatements in that report; and
- in our opinion, that report has been prepared in accordance with the Companies Act 2006.

Independent Auditor's Report to the members of L.R.R. Holdings Limited

Matters on which we are required to report by exception

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

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



.....
Andrew Marshall (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor

15 Canada Square
London
E14 5GL

26 April 2017

L.R.R. Holdings Limited

Profit and Loss Account for the Period from 1 August 2015 to 31 December 2016

	Note	17 months to 31 December 2016 £	Year to 31 July 2015 £
Administrative expenses		(672)	(621)
Other gains	3	<u>115,212</u>	<u>-</u>
Operating profit/(loss)		<u>114,540</u>	<u>(621)</u>
Profit/(loss) before tax		114,540	(621)
Income tax expense	5	<u>-</u>	<u>-</u>
Profit/(loss) for the period		<u><u>114,540</u></u>	<u><u>(621)</u></u>

The above results were derived from continuing operations.

L.R.R. Holdings Limited

Statement of Comprehensive Income for the Period from 1 August 2015 to 31 December 2016

	Note	17 months to 31 December 2016 £	Year to 31 July 2015 £
Profit/(loss) for the period		<u>114,540</u>	<u>(621)</u>
Total comprehensive income for the period		<u><u>114,540</u></u>	<u><u>(621)</u></u>

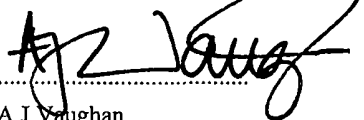
The notes on pages 10 to 16 form an integral part of these financial statements.

L.R.R. Holdings Limited

(Registration number: 05859313)
Balance Sheet as at 31 December 2016

	Note	31 December 2016 £	31 July 2015 £
Fixed assets			
Investments	6	-	-
Current assets			
Debtors	7	115,212	700,517
Cash at bank and in hand	8	470,761	25
		<u>585,973</u>	<u>700,542</u>
Creditors: Amounts falling due within one year			
Trade and other creditors	9	(169,710)	(398,819)
Net current assets		<u>416,263</u>	<u>301,723</u>
Net assets		<u>416,263</u>	<u>301,723</u>
Capital and reserves			
Called up share capital	10	204	204
Profit and loss account		<u>416,059</u>	<u>301,519</u>
Shareholders' funds		<u>416,263</u>	<u>301,723</u>

Approved by the Board on 26 April 2017 and signed on its behalf by:



A J Vaughan
Director

L.R.R. Holdings Limited

Statement of Changes in Equity for the Period from 1 August 2015 to 31 December 2016

	Share capital £	Retained earnings £	Total £
At 1 August 2015	204	301,519	301,723
Profit for the period	-	114,540	114,540
Total comprehensive income	-	114,540	114,540
At 31 December 2016	204	416,059	416,263

	Share capital £	Retained earnings £	Total £
At 1 August 2014	204	302,140	302,344
Loss for the period	-	(621)	(621)
Total comprehensive income	-	(621)	(621)
At 31 July 2015	204	301,519	301,723

The notes on pages 10 to 16 form an integral part of these financial statements.

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016

1 General information

The company is a private company limited by share capital incorporated in England and Wales and domiciled in England.

The address of its registered office is:

Costain House
Vanwall Business Park
Maidenhead
Berkshire
SL6 4UB
UK

These financial statements were authorised for issue by the Board on 26 April 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The company has taken exemption from preparing group accounts as it is included in consolidated accounts for a larger group which are drawn up as full consolidated accounts which are filed at Companies House.

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of IAS 1 to provide a Balance Sheet at the beginning of the year in the event of a prior year adjustment;
- (b) The requirements of IAS 1 to provide a Statement of Cash flows for the year;
- (c) The requirements of IAS 1 to provide a statement of compliance with IFRS;
- (d) The requirements of IAS 1 to disclose information on the management of capital;
- (e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to disclose new IFRS's that have been issued but are not yet effective;
- (f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (g) The requirements of paragraph 17 of IAS 24 Related Party Disclosures to disclose key management personnel compensation;
- (h) The requirements of IFRS 7 to disclose financial instruments; and
- (i) The requirements of paragraphs 91-99 of IFRS13 Fair Value Measurement to disclose information of fair value valuation techniques and inputs.

Disclosure exemptions for subsidiaries are permitted where the relevant disclosure requirements are met in the consolidated financial statements. Where required, equivalent disclosures are given in the group accounts of Costain Group PLC.

Going concern

The financial statements have been prepared on a going concern basis.

Tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, 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.

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016 (continued)

2 Accounting policies (continued)

Investments

Fixed asset investments are stated at historical cost less any provisions for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the fixed asset investment is the lower of its cost or recoverable amount. Impairments are reversed in line with improvements in the recoverable amount of the investment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Other gains and losses

The analysis of the company's other gains and losses for the period is as follows:

	1 August 2015 to 31 December 2016	Year ended 31 July 2015
	£	£
Gain from disposals of investments	<u>115,212</u>	<u>-</u>

4 Auditors' remuneration

The deemed audit fee for the company was £500 (2015: £Nil).

There are no fees paid to KPMG LLP for other services other than the statutory audit of the company. The audit fee was borne by another group company.

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016 (continued)

5 Income tax

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2015 - the same as the standard rate of corporation tax in the UK) of 20% (2015 - 20.67%).

The differences are reconciled below:

	17 months to 31 December 2016 £	Year to 31 July 2015 £
Profit/(loss) before tax	114,540	(621)
Corporation tax at standard rate	22,908	(128)
Decrease (increase) from effect of revenues exempt from taxation	(23,042)	-
Increase (decrease) arising from group relief tax reconciliation	134	128
Total tax charge	-	-

The rate of corporation tax reduces to 19% with effect from 1 April 2017 and to 17% with effect from 1 April 2020.

6 Investments

Subsidiaries

£

Carrying amount

At 1 August 2015 and 31 December 2016

-

Details of the subsidiaries (all directly owned) as at 31 December 2016 and 31 July 2015 are as follows:

Name of subsidiary	Principal activity	Registered office / principal place of business	Proportion of ownership interest and voting rights held	
			2016	2015
Alway Associates (London) Limited	Legal and consultancy services	(1)	100%	100%

Key to registered office / principal place of business

(1) Costain House, Vanwall Business Park, Maidenhead, Berkshire, SL6 4UB, England.

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016 (continued)

7 Debtors

	31 December 2016	31 July 2015
	£	£
Amounts owed by group undertakings	<u>115,212</u>	<u>700,517</u>

8 Cash and cash equivalents

	31 December 2016	31 July 2015
	£	£
Cash at bank	<u>470,761</u>	<u>25</u>

9 Trade and other creditors

Current

	31 December 2016	31 July 2015
	£	£
Amounts owed to group undertakings	<u>169,710</u>	<u>398,819</u>

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016 (continued)

10 Share capital

Allotted, called up and fully paid shares

	31 December 2016		31 July 2015	
	No.	£	No.	£
Ordinary shares of £1 each	200	200	200	200
A Ordinary shares of £1 each	1	1	1	1
B Ordinary shares of £1 each	1	1	1	1
C Ordinary shares of £1 each	1	1	1	1
D Ordinary shares of £1 each	1	1	1	1
	<u>204</u>	<u>204</u>	<u>204</u>	<u>204</u>

11 Parent and ultimate parent undertaking

The company's immediate parent is Rhead Holdings Limited.

The ultimate parent is Costain Group PLC.

The parent of the largest group producing publicly available financial statements in which these financial statements are consolidated is Costain Group PLC. These financial statements are available upon request from Costain House, Vanwall Business Park, Maidenhead, Berkshire, SL6 4UB.

The ultimate controlling party is Costain Group PLC.

L.R.R. Holdings Limited

Notes to the Financial Statements for the Period from 1 August 2015 to 31 December 2016 (continued)

12 Transition to FRS 101

This is the first year that the company has presented its financial statements under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. Following transition from UK GAAP to FRS 101 no comparative figures were identified to be restated. As a result, it was not deemed necessary to present tables reconciling the transition within these financial statements. The last financial statements under the previous GAAP (UK GAAP) were for the year ended 31 July 2015 and the date of transition to FRS 101 was therefore 1 August 2015.

Reconciliation of Profit and Loss Account

No adjustments were posted to restate the prior years' Profit and Loss Accounts as a result of the decision to transition to FRS 101 on 1 August 2015.

Reconciliation of Equity

No adjustments were posted to restate the prior year's equity balances as a result of the decision to transition to FRS 101 on 1 August 2015.