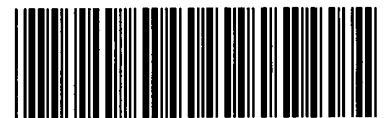


REGISTERED NUMBER: 06009021 (England and Wales)

**Report of the Directors and
Audited Financial Statements For The Year Ended 31st December 2016
for
Skanska Project Developments Limited**

MONDAY



A6GNNL01

A13

09/10/2017

#5

COMPANIES HOUSE

**Contents of the Financial Statements
For The Year Ended 31st December 2016**

	Page
Company Information	1
Report of the Directors	2
Statement of Directors' Responsibilities	4
Report of the Independent Auditors	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9

Skanska Project Developments Limited

Company Information

For The Year Ended 31st December 2016

Directors:

C P Treleaven
C K K Gangotra
H K Martin

Secretary:

S Leven

Registered office:

Maple Cross House
Denham Way, Maple Cross
Rickmansworth
Hertfordshire
WD3 9SW

Registered number:

06009021 (England and Wales)

Auditors:

Ernst & Young LLP, Statutory Auditor
1 More London Place
London
SE1 2AF

Skanska Project Developments Limited (Registered number: 06009021)

**Report of the Directors
For The Year Ended 31st December 2016**

The directors present their report with the financial statements of the company for the year ended 31st December 2016.

Principal activity

The Company's principal activity is to act as a holding company for companies engaged in property development and allied activities.

Review of business

The company made an operating loss of £3,351,000 (2015 loss: £1,850,000).

Market and outlook

Whilst the market conditions remain challenging the Board considers that there is scope for development of the Company's activities.

Principal risks and uncertainties

The Company's principal risks and uncertainties are related to the developments undertaken by its subsidiaries.

Directors

C P Treleaven has held office during the whole of the period from 1st January 2016 to the date of this report.

Other changes in directors holding office are as follows:

R F Bayliss - resigned 12th February 2016
C K K Gangotra - appointed 12th February 2016
A T Lindelöf - resigned 7th November 2016
H K Martin - appointed 7th November 2016

None of the directors at 31st December 2016 had any interests required to be disclosed under Section 182 Companies Act 2006. There were no changes in the directors' interests between 31st December 2016 and the date of this report. No director during the year had a material interest in any contract significant to the Company's business.

Directors indemnity provisions

In accordance with the provisions of the Companies (Audit, Investigations and Community Enterprise) Act 2004, as at the date of this report, the articles of association contained provisions for third-party qualifying indemnities where the Company had agreed to indemnify the directors in respect of losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as directors of the Company, and this was in force throughout the financial period ended 31st December 2016.

Political donations and expenditure

During the current and preceding year the Company made no charitable or political donations.

Policy on payment of creditors

Operating businesses within the Skanska Group are responsible for agreeing the terms and conditions under which business transactions with their suppliers are conducted. It is the Company's policy that payments to suppliers are made in accordance with these terms, provided that the supplier is also complying with all relevant terms and conditions.

Environment

The Company is required to pursue policies that comply with the relevant legislation and standards applicable to its particular industries.

Going Concern

The Company is dependent for its working capital on funds provided to it by Skanska UK Plc, the immediate parent undertaking. Skanska UK Plc has indicated that for at least twelve months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Company and in particular will not seek repayment of any amounts made available (as of 31 December 2016, there were no borrowings due to Skanska UK Plc from the Company). This should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

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

Strategic report

The Company has taken the exemption under S414B of the Companies Act 2006 from the requirement to prepare a strategic report for the financial period.

**Report of the Directors
For The Year Ended 31st December 2016**

Statement as to disclosure of information to auditor

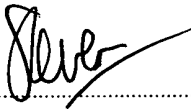
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he / she is obliged to take as a director in order to make himself / herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

During 2015, Skanska AB, 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 Ernst & Young LLP be proposed as auditor of Skanska AB and its subsidiary companies. As a result of the tender, KPMG LLP's appointment expired on 26th July 2016 and the appointment of Ernst & Young LLP as the company's auditors was made on 16th September 2016 for the financial year ending 31 December 2016.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board:



.....
S Leven - Secretary

Date: 28 SEPTEMBER 2016

**Statement of Directors' Responsibilities
For The Year Ended 31st December 2016**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures, disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

Report of the Independent Auditors to the Members of Skanska Project Developments Limited

We have audited the financial statements of Skanska Project Developments Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS101 'Reduced Disclosure Framework'.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on 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 loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Report of the Directors.

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 and take advantage of the small companies' exemption in preparing the Report of the Directors.

Ernst & Young LLP

Peter Campbell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: *4 October 2017*

Skanska Project Developments Limited (Registered number: 06009021)

**Statement of Comprehensive Income
For The Year Ended 31st December 2016**

	Notes	2016 £'000	2015 £'000
Turnover		145	-
Administrative expenses		<u>(3,496)</u>	<u>(1,850)</u>
Operating loss		(3,351)	(1,850)
Income from shares in group undertakings		<u>-</u>	<u>4,000</u>
		(3,351)	2,150
Interest payable and similar expenses	4	<u>(247)</u>	<u>(266)</u>
(Loss)/profit before taxation	5	(3,598)	1,884
Tax on (loss)/profit	6	<u>722</u>	<u>430</u>
(Loss)/profit for the financial year		(2,876)	2,314
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (loss)/income for the year		<u><u>(2,876)</u></u>	<u><u>2,314</u></u>

The notes on pages 9 to 13 form part of these financial statements

Skanska Project Developments Limited (Registered number: 06009021)

**Statement of Financial Position
31st December 2016**

	Notes	2016 £'000	2015 £'000
Fixed assets			
Investments	7	5,117	5,117
Current assets			
Debtors	8	16,219	14,612
Creditors			
Amounts falling due within one year	9	(24,480)	(19,997)
Net current liabilities		<u>(8,261)</u>	<u>(5,385)</u>
Total assets less current liabilities		<u>(3,144)</u>	<u>(268)</u>
Capital and reserves			
Called up share capital	11	-	-
Retained earnings		<u>(3,144)</u>	<u>(268)</u>
Shareholders' funds		<u>(3,144)</u>	<u>(268)</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 28 September 2017 and were signed on its behalf by:

.....
C P Treleaven - Director

The notes on pages 9 to 13 form part of these financial statements

Skanska Project Developments Limited (Registered number: 06009021)

**Statement of Changes in Equity
For The Year Ended 31st December 2016**

	Retained earnings £'000	Total equity £'000
Balance at 1st January 2015	(2,582)	(2,582)
Changes in equity		
Total comprehensive income	<u>2,314</u>	<u>2,314</u>
Balance at 31st December 2015	<u>(268)</u>	<u>(268)</u>
Changes in equity		
Total comprehensive loss	<u>(2,876)</u>	<u>(2,876)</u>
Balance at 31st December 2016	<u><u>(3,144)</u></u>	<u><u>(3,144)</u></u>

The notes on pages 9 to 13 form part of these financial statements

**Notes to the Financial Statements
For The Year Ended 31st December 2016**

1. Statutory information

Skanska Project Developments Limited is a private company, limited by shares incorporated, registered and domiciled in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the pound sterling (£).

All values are rounded to the nearest thousand pounds (£000), except where otherwise indicated.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

New standards and interpretations

Early adoption of new or revised IFRS and interpretations

There has been no early adoption of new or revised IFRS or interpretations.

New standards and amendments of standards that have not yet begun to be applied

The future standard IFRS 15 Revenue from Contracts with Customers mainly concerns how revenue from contracts with customers, excluding leases, is to be reported and how payment from customers is to be measured. If a customer contract contains more than one performance obligation, the price for each performance obligation is to be determined and the revenue recognised when the obligation has been satisfied, either over time or at a point in time. The standard will be applied with effect from 1 January 2018 and was adopted by the EU in October 2016.

IFRS 15 requires more detailed disclosures, however is not expected to have a significant impact on the company.

IFRS 9 Financial Instruments will replace IAS 39 Financial Instruments: Recognition and Measurement, and will be applied with effect from 1 January 2018. The standard was adopted by the EU in November 2016. The standard is based more on principles than rules, and contains a new model for classification and measurement of financial instruments, a forward-looking impairment model and a revised approach to hedge accounting. In practice, the model for classification and measurement does not result in any significant changes compared with the current standard. The new impairment model means the standard will bring forward reserves for bad debts. The company's credit risk arising from trade accounts receivable is limited. The effect on the company's financial reporting is expected to be marginal.

In January 2016, the IASB published the new standard IFRS 16 Leases, which, assuming it is adopted by the EU, will be applied with effect from 1 January 2019. In contrast to the present IAS 17 Leases, the standard means that, as lessee, the company must report operating leases as well as finance leases in the statement of financial position, unless the lease is short-term or of low value. A preliminary estimate of the effect expects the impact of the new standard to be marginal.

Financial instruments

Financial assets and financial liabilities are recognised in the Company statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Trade receivables and other receivables do not carry any interest and are stated at their nominal value, reduced by appropriate allowances for estimated irrecoverable amounts. Overdrafts are stated at their nominal value. Interest is recognised as it accrues using the effective interest method. Trade payables on normal terms are not interest bearing and are stated at their nominal value.

Taxation

Deferred taxation is provided using the liability method on temporary differences at the statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recorded only to the extent that they are considered recoverable.

UK corporation tax is provided at amounts expected to be recovered using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Notes to the Financial Statements - continued
For The Year Ended 31st December 2016

2. Accounting policies - continued

Employee benefit costs

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Investment

Investments in subsidiary undertakings are held at historical cost less any applicable provision for impairment.

Interest bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

3. Employees and directors

	2016	2015
	£'000	£'000
Wages and salaries	1,408	1,027
Social security costs	179	138
Other pension costs	224	181
	<u>1,811</u>	<u>1,346</u>

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

	2016	2015
Administration	<u>14</u>	<u>14</u>

	2016	2015
	£	£
Directors' remuneration	<u>211,000</u>	<u>136,000</u>

Information regarding the highest paid director for the year ended 31st December 2016 is as follows:

	2016
	£
Emoluments etc	<u>184,000</u>

4. Interest payable and similar expenses

	2016	2015
	£'000	£'000
Bank interest	<u>247</u>	<u>266</u>

5. (Loss)/profit before taxation

The loss before taxation (2015 - profit before taxation) is stated after charging:

	2016	2015
	£'000	£'000
Auditors' remuneration	<u>4</u>	<u>20</u>

Notes to the Financial Statements - continued
For The Year Ended 31st December 2016

6. Taxation

Analysis of tax income

	2016 £'000	2015 £'000
Current tax:		
UK Corporation Tax current period	(720)	(428)
Adjustment in respect of prior period	<u>(2)</u>	<u>(2)</u>
Total tax income in statement of comprehensive income	<u>(722)</u>	<u>(430)</u>

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2016 £'000	2015 £'000
(Loss)/profit before income tax	<u>(3,598)</u>	<u>1,884</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 20.250%)	(720)	382
Effects of:		
Prior year	(2)	(2)
Non taxable income	<u>-</u>	<u>(810)</u>
Tax income	<u>(722)</u>	<u>(430)</u>

7. Investments

	Shares in group undertakings £'000
Cost	
At 1st January 2016 and 31st December 2016	<u>5,117</u>
Net book value	
At 31st December 2016	<u>5,117</u>
At 31st December 2015	<u>5,117</u>

The company's investments at the Statement of Financial Position date in the share capital of subsidiary companies is as follows:

Skanska Project Developments Limited (Registered number: 06009021)

**Notes to the Financial Statements - continued
For The Year Ended 31st December 2016**

7. Investments - continued

SPD Bentley Limited
SPDL (Monument) Limited
66 Queen Square Limited
SPD Moorgate Limited
SPD Templegate Limited
SPD Temple Circus Limited
SPD Engine Shed 2 Limited

The subsidiary undertakings all have property investment/development as their principal activity.

All companies country of registration is England and Wales.

All subsidiaries are 100% directly owned, except for SPD Engine Shed Limited which is a 100% subsidiary of SPD Temple Circus Limited

8. Debtors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade debtors	58	6
Amounts owed by group undertakings	15,439	14,157
Other debtors	<u>722</u>	<u>449</u>
	<u>16,219</u>	<u>14,612</u>

9. Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Bank loans and overdrafts (see note 10)	19,193	14,620
Trade creditors	-	2
Amounts owed to group undertakings	5,117	5,117
Accruals and deferred income	<u>170</u>	<u>258</u>
	<u>24,480</u>	<u>19,997</u>

10. Financial liabilities - borrowings

	2016 £'000	2015 £'000
Current:		
Bank overdrafts	<u>19,193</u>	<u>14,620</u>

Terms and debt repayment schedule

	1 year or less £'000
Bank overdrafts	<u>19,193</u>

11. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
1	Ordinary	£1	<u>1</u>	<u>1</u>

Skanska Project Developments Limited (Registered number: 06009021)

Notes to the Financial Statements - continued
For The Year Ended 31st December 2016

12. Ultimate parent company

Skanska UK Plc the company's immediate parent company heads the smallest group in which the results of the Company are consolidated.

The ultimate parent company is Skanska AB, a company incorporated in Sweden, which heads the largest group in which the results of the Company are consolidated.

Copies of the Skanska UK Plc and Skanska AB financial statements can be obtained from Skanska UK Plc at Maple Cross House, Denham Way, Maple Cross, Rickmansworth, Herts. WD3 9SW.