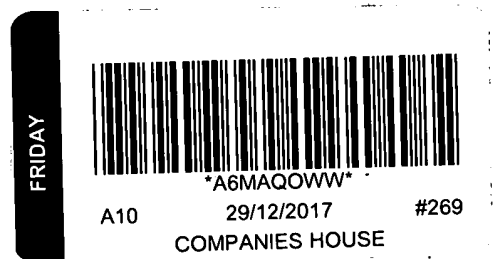


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**Cura Classis (UK) Limited**  
**Annual report**  
**For the year ended 31 March 2017**  
**Company registration number:**  
**07672738**



Registered number 07672738

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**Cura Classis (UK) Limited**

**Directors and advisors**

**Directors**

D Watt  
R Taylor  
S White  
J Parker

**Company secretary**

Babcock Corporate Secretaries Limited

**Registered office**

33 Wigmore Street  
London  
W1U 1QX

**Independent Auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place  
London  
WC2N 6RH

**Strategic report for the year ended 31 March 2017**

The directors present their Strategic report on the Company for the year ended 31 March 2017.

**Principal activities**

The principal activities of the Company are the provision of fleet availability contracts and associated services, including the provision and maintenance of vehicles and equipment.

**Review of the business**

	2017 £000	2016 £000
Turnover	9,664	10,760
(Loss) / Profit for the financial year	(289)	270

Over the course of the year, the Company's core business activities continued to perform in line with expectations.

**Principal risks and uncertainties**

The management of the business and the execution of the Company's strategy are subject to a number of risks and uncertainties. These are managed through an operational review process undertaken by the Board of Directors.

The key risks and uncertainties affecting the Company are considered to be related to the continued desire of its customers to acquire additional assets through the Company and to utilise its asset fleet in full. The directors manage this by meeting on a regular basis, internally and with its customer to discuss these risks. Financial risk management is included within the directors' report on page 3.

**Future developments**

The directors are confident about the future trading prospects of the Company as it continues to successfully perform its services to the satisfaction of its customer and the remaining leased equipment's life.

**Key performance indicators**

Due to the nature of the Company's activities and establishment, the directors consider that there is only one performance indicator other than turnover and profit which is relevant, being hours worked by its assets and is monitored on a monthly basis and closely reviewed by the Board of Directors. In 2017 assets worked for 199,000 hours (2016: 230,000)

On behalf of the board



**J Parker**

**Director**

28 December 2017

**Directors' report for the year ended 31 March 2017**

The directors present their report and the audited financial statements of the Company for the year ended 31 March 2017.

**Results**

The company made loss for the financial year of £289,000 (profit 2016: £270,000)

**Dividends**

Interim dividends of £83,000 was paid during the year. The directors do not propose a final dividend (year ended 31 March 2016 £ nil).

**Future developments**

Information on the future developments of the Company can be found in the Strategic report.

**Financial risk management**

*Credit risk*

The Company has implemented policies that require appropriate credit checks. The Company also monitors existing customer accounts on an on-going basis and takes appropriate action where necessary to minimise any potential credit risk. Cash and bank balances are held with banks that have been assigned satisfactory credit ratings by international credit rating agencies.

*Liquidity risk*

The company is exposed to liquidity risk to the extent its customers do not pay promptly. However it has mitigated this risk through a series of contractual provisions which means that, in the event of this the owners of the assets can seize them in lieu of unpaid leases with no recourse to the Company.

**Directors**

The directors who held office during the year and up to the date of signing the annual report were as follows:

R McLeod resigned 30<sup>th</sup> September 2016

N Misell resigned 1<sup>st</sup> July 2016

G Leeming resigned 1<sup>st</sup> July 2016

B Stancliffe resigned 20<sup>th</sup> January 2017

D Watt

R Taylor appointed 1<sup>st</sup> July 2016

S White appointed 1<sup>st</sup> July 2016

J Parker appointed 20<sup>th</sup> January 2017

**Environment**

The Company recognises its responsibility to minimise so far as reasonably possible the potential for adverse impacts from its operations. It aims to achieve the highest standards in environmental management and seek accreditation to appropriate standards where appropriate.

The Company has developed and implemented an environmental policy to ensure that the impact of its activities on the environment is limited to the minimum practicable level.

**Directors' report for the year ended 31 March 2017 *(continued)***

**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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.

The directors 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.

**Qualifying third party indemnity provisions**

Under their respective Articles of Association, the directors of the company are, and were during the year to 31 March 2017, entitled to be indemnified by the Company against liabilities and costs incurred in connection with the execution of their duties or the exercise of their powers to the extent permitted by the Companies Act 2006.

**Directors' report for the year ended 31 March 2017 (continued)**

**Disclosure of information to auditors**

Each director, as at the date of this report, has confirmed that in so far as they are aware there is no relevant audit information of which the Company's auditors are unaware, and they have taken all the 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 auditors are aware of this information.

On behalf of the board



**J Parker**

**Director**

28 December 2017

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# ***Independent auditors' report to the members of Cura Classis (UK) Limited***

## **Report on the financial statements**

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### **Our opinion**

In our opinion, Cura Classis (UK) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss and cash flows for the year then ended;
  - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
  - have been prepared in accordance with the requirements of the Companies Act 2006.
- 

### **What we have audited**

The financial statements, included within the Annual report (the "Annual Report"), comprise:

- the balance sheet as at 31 March 2017;
- the profit and loss account for the year then ended;
- the cash flow statement for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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## **Opinions on other matters prescribed by the Companies Act 2006**

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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 addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' report. We have nothing to report in this respect.

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## **Other matters on which we are required to report by exception**

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### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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## ***Independent auditors' report to the members of Cura Classis (UK) Limited (continued)***

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### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

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## **Responsibilities for the financial statements and the audit**

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### **Our responsibilities and those of the directors**

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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### **What an audit of financial statements involves**


We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report 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. With respect to the Strategic Report and Directors' report, we consider whether those reports include the disclosures required by applicable legal requirements.



Alan Walsh (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

28 December 2017



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**Cura Classis (UK) Limited****Profit and loss account***For the year ended 31 March 2017*

	Note	2017 £000	2016 £000
Turnover	4	9,664	10,760
Cost of sales		(9,737)	(10,362)
<b>Gross (Loss) / Profit</b>		<b>(73)</b>	<b>398</b>
Administrative expenses		(232)	(82)
<b>Operating (Loss)/Profit</b>	5	<b>(305)</b>	<b>316</b>
Finance costs	6	-	(37)
<b>(Loss)/Profit before income tax</b>		<b>(305)</b>	<b>279</b>
Income tax credit /(expense)	9	16	(9)
<b>(Loss)/Profit for the financial year and other comprehensive income</b>		<b>(289)</b>	<b>270</b>

All of the above results derive from continuing operations.

The profit for the financial year and other comprehensive income for the year are the same in both years ended 31 March 2017 and 2016 and therefore no separate Statement of Comprehensive Income has been presented.

## Cura Classis (UK) Limited

### Balance sheet

As at 31 March 2017

	Note	2017 £000	2016 £000
<b>Current assets</b>			
Debtors	10	397	833
Cash at bank and in hand		917	975
		<b>1,314</b>	<b>1,808</b>
Creditors – amounts falling due within one year	11	(385)	(507)
<b>Net current assets</b>		<b>929</b>	<b>1,301</b>
<b>Total assets less current liabilities</b>		<b>929</b>	<b>1,301</b>
<b>Net assets</b>		<b>929</b>	<b>1,301</b>
<b>Equity</b>			
Called up share capital	12	372	372
Retained earnings		557	929
<b>Total shareholders' funds</b>		<b>929</b>	<b>1,301</b>

The notes on pages 12 to 19 are an integral part of these financial statements.

The financial statements on pages 8 to 19 were approved by the board of directors and signed on its behalf by:



J Parker

Director

18 December 2017

## Cura Classis (UK) Limited

### Statement of changes in equity For the year ended 31 March 2017

	Note	Called up share capital	Retained earnings	Total Shareholders' funds
		£'000	£'000	£'000
<b>Balance at 1 April 2015</b>		372	659	1,031
Profit for the year and other comprehensive income		-	270	270
<b>Balance at 31 March 2016</b>		372	929	1,301
(Loss) / Profit for the year and other comprehensive income		-	(289)	(289)
Dividends paid	13	-	(83)	(83)
<b>Balance at 31 March 2017</b>		372	557	929

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**Cura Classis (UK) Limited**

**Cash flow statement**

*for the year ended 31 March 2017*

	Note	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
<b>Net Cash flow generated from/(used in) Operating activities</b>	17	<b>105</b>	<b>(126)</b>
Interest Paid	6	-	(37)
Tax paid		(80)	-
Dividend paid	13	(83)	-
<b>Net Increase/(decrease) in cash and cash equivalents</b>		<b>(58)</b>	<b>(163)</b>

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## **Cura Classis (UK) Limited**

### **Notes to the financial statements**

*(Forming part of the financial statements)*

#### **1 Statement of Compliance**

Cura Classis (UK) Limited is a private limited company and is incorporated and domiciled in the UK. The address of the Registered Office is 33 Wigmore Street, London W1U 1QX.

The financial statements of Cura Classis (UK) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

#### **2 Accounting policies**

##### **Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

##### **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered net of value added tax.

Revenue is recognised when (a) the amount of revenue can be reliably measured; (b) it is probable that future economic benefits will flow to the entity and (c) when the specific criteria relating to each of the Company's sales channels have been met, as described below.

##### *Rendering of services*

Revenue from services provided on a short-term or one-off basis is recognised when the service is complete

##### **Deferred and accrued income**

The timing of billings to the customer does not always reflect the pattern of revenue recognition. Where amounts invoiced to the customer exceed the amount that has been recognised as Turnover within the profit and loss account the difference is held as a liability on the balance sheet in deferred income to the extent that the cash has been received from the customer. Where the amount that has been recognised as Turnover within the profit and loss account exceeds the amounts invoiced to the customer the difference is held as an asset on the balance sheet in accrued income to the extent that the cash has not been received from the customer.

## **Cura Classis (UK) Limited**

### **Notes to the financial statements**

#### **2 Accounting policies (continued)**

##### **Taxation**

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

##### **a) Current Tax**

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated in the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

##### **b) Deferred Tax**

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

##### **Operating leases**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

##### **Ultimate parent Entity**

The Company's immediate parent undertaking is Cura Classis UK (Hold Co) Limited which is subsequently under the control of Babcock Project Investments Limited (48%), Ritchie Bro. Auctioneers (UK) Limited (48%) and Lafarge (UK) Services Limited (4%) and therefore these are considered to be the ultimate parent entities.

##### **Cash and cash equivalents**

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

## Cura Classis (UK) Limited

### Notes to the financial statements

#### 2 Accounting policies *(continued)*

##### Provisions for liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions for restructuring or reorganisation are recognised when a detailed formal restructuring plan has been approved and the restructuring has either commenced, or has been publicly announced. Future operating costs are not provided for.

Onerous contracts are recognised immediately in the profit and loss account and a provision made in the balance sheet to be unwound over the remaining life of the contract.

#### 3 Critical accounting judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

It is the assessment of the directors that there are no significant individual accounting estimates within the financial statements.

#### 4 Turnover

Turnover is wholly attributable to the principal activity of the Company and arises as follows:

	2017 £000 Total	2016 £000 Total
By area of activity:		
Rendering of services	9,664	10,760
	<b>9,664</b>	<b>10,760</b>
	2017 £000	2016 £000
By geographical area:		
United Kingdom	9,664	10,760
	<b>9,664</b>	<b>10,760</b>

## Cura Classis (UK) Limited

### Notes to the financial statements

#### 5 Operating profit

Operating profit is stated after charging:

	2017 £000	2016 £000
Operating lease charges		
- plant and machinery	4,443	4,761
Fees payable for the audit of the financial statements	16	16

#### 6 Finance costs

	2017 £000	2016 £000
Interest payable and similar charges:		
Bank interest	-	(37)
	-	(37)

#### 7 Staff costs

There were no employees of the company during the current year or prior financial year. Staff costs are incurred by a fellow group company and are not recharged.

#### 8 Directors' remuneration

None of the directors or key management received remuneration for their services to the Company (2016: £nil). Their services were paid by the fellow group company and were not recharged.

#### 9 Income tax expense

	2017 £000	2016 £000
<b>Current tax</b>		
UK Corporation tax on (loss)/ profits for the year	(61)	56
Adjustment in relation to prior year	45	(47)
<b>Current tax (credit)/charge for the year</b>	<b>(16)</b>	<b>9</b>
<b>Tax on (loss)/profit on ordinary activities</b>	<b>(16)</b>	<b>9</b>

The tax assessed for the year is higher (2016: lower) than the standard corporation tax in the UK for the year ended 31 March 2017 of 20% (2016: 20%) as a result of the prior year tax adjustment.



## Cura Classis (UK) Limited

### Notes to the financial statements

#### 9 Income tax expense (continued)

	2017 £000	2016 £000
(Loss)/Profit before income tax	(305)	279
Tax on (loss)/profit at standard UK corporation tax rate of 20% (2016: 20%)	(61)	56
Effects of:		
Income not taxable for tax purposes	-	-
Expenses not deductible for tax purposes	-	-
Adjustment in respect of prior years	45	(47)
Total tax (credit)/charge for the year	(16)	9

Finance (No") Act 2015 was substantively enacted on 26 October 2015 and reduced the main rate of corporation tax in the UK to 19% from 1 April 2017. Finance Act 2016 was substantively enacted on 6 September 2016 and reduced the main rate of corporation tax in the UK to 17% with effect from 1 April 2020. resolution passed by Parliament on 22 March 2016 reduced the main rate of corporation tax to 17% from 1 April 2020.

#### 10 Debtors - amounts falling due within one year:

	2017 £000	2016 £000
Amounts owed by group undertakings	-	420
Other Taxation and social security	11	-
Other debtors	-	32
Prepayments and accrued income	386	381
	397	833

All financial assets of the company are carried at amortised cost.

#### 11 Creditors - amounts falling due within one year

	2017 £000	2016 £000
Amounts owed to group undertakings	-	252
Trade Creditors	201	-
Other taxation and social security	-	58
UK corporation tax payable	39	136
Accruals and deferred income	145	61
	385	507

All financial liabilities of the company are carried at amortised cost.

## Cura Classis (UK) Limited

### Notes to the financial statements

#### 12 Called up share capital

	2017 £000	2016 £000
<b>Allotted, called up and fully paid</b>		
372,000 ordinary shares of £1 each (2016: 372,000)	<u>372</u>	<u>372</u>

#### 13 Dividends paid

Interim dividends of 22.3 pence per share were declared and paid £83,000 (2016: £NIL). There are no plans for a final dividend.

#### 14 Guarantees and financial commitments

##### Operating lease commitments

At 31 March, the Company had future minimum rental payable under non-cancellable operating leases as follows:

	2017 Other £000	2016 Other £000
Future minimum rentals payable under non-cancellable operating leases:		
- within one year	3,810	4,443
- between two and five years	5,905	9,139
- after five years	-	1,056
	<u>9,715</u>	<u>14,638</u>

#### 15 Related party disclosures

During the year the Company entered into transactions in the ordinary course of business with the following entities which are wholly owned subsidiaries of the Company's parent company's shareholders.

## Cura Classis (UK) Limited

### Notes to the financial statements

#### 15 Related party disclosures *(continued)*

Transactions entered into and trading balances outstanding at 31 March 2017 are as follows:

	Sales to related party £000	Purchases from related party £000	Amounts owed by related party £000	Amounts owed to related party £000
Related party				
Babcock Critical Services Limited	-	5,256	-	-
Lafarge Cement and Lime Limited	1,005	-	-	-
Lafarge Tarmac Trading Limited	8,659	-	-	-

Transactions entered into and trading balances outstanding at 31 March 2016 are as follows:

	Sales to related party £000	Purchases from related party £000	Amounts owed by related party £000	Amounts owed to related party £000
Related party				
Babcock Critical Services Limited	-	5,736	420	256
Lafarge Cement and Lime Limited	1,897	-	39	-
Lafarge Tarmac Trading Limited	8,863	-	234	-

The Company discloses transactions with related parties which are not wholly owned within the same group. It is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

See note 8 for disclosure of the directors' remuneration and key management compensation.

#### 16 Ultimate parent undertaking and controlling party

The Company's immediate and ultimate parent company is Cura Classis UK (Hold Co) Limited a company registered in England and Wales.

The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Cura Classis UK (Hold Co) Limited. The address of the parent's registered office is 33 Wigmore Street, London, W1U 1QX.

## Cura Classis (UK) Limited

### Notes to the financial statements

#### 17 Reconciliation of operating profit to operating cash flows

	2017 £'000	2016 £'000
(Loss)/Profit For the Financial Year	(289)	270
Tax on (Loss)/ Profit from Ordinary Activities	(16)	9
Net Interest Expense	-	37
Operating (Loss)/Profit	<u>(305)</u>	<u>316</u>
Working Capital Movements		
Decrease/(Increase) in debtors	436	(467)
(Decrease)/increase in creditors	(26)	25
Cash flow generated from/(used in) Operating activities	<u>105</u>	<u>(126)</u>