

REGISTERED NUMBER: 04602504 (England and Wales)

**Annual Report and
Financial Statements for the Year Ended 31 December 2017
for
Amey LUL 2 Limited**



Amey LUL 2 Limited

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for the Year Ended 31 December 2017**

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Amey LUL 2 Limited

**Company Information
for the Year Ended 31 December 2017**

Directors A L Milner
A L Nelson

Company Secretary Sherard Secretariat Services Limited

Registered Office The Sherard Building
Edmund Halley Road
Oxford
Oxfordshire
OX4 4DQ

Auditor Deloitte LLP
Statutory Auditor
Abbots House
Abbey Street
Reading
RG1 3BD

Amey LUL 2 Limited

Strategic Report for the Year Ended 31 December 2017

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

Principal activity

The Company is principally engaged in the activity of providing management services to Tube Lines Limited ("Tube Lines") which is responsible for the maintenance, renewal and upgrade of the infrastructure of the Jubilee, Northern and Piccadilly lines of the London Underground. There have been no changes in the Company's activities during the year.

Review of business and future developments

The income statement for the year is set out on page 8 and shows revenue of £34,134,000 (2016 - £25,921,000) and a profit after tax amounting to £16,684,000 (2016 - £1,766,000), all of which arose from discontinued activities.

On 31 December 2017 the Company's principal contract came to an end. The Company will continue to report activity until all contractual matters are completed after which it will become dormant.

There have been no events since the balance sheet date which materially affect the position of the Company.

Key performance indicators

The Company's principal key performance indicators are revenue and profit before tax which are shown in the income statement for the year set out on page 8.

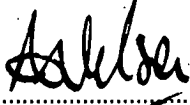
Principal risks and uncertainties

The Company's profitability is in the most part driven by the performance of Tube Lines and the quantity of management services required. The Company seeks to manage the risk of adverse performance by ensuring that the management secondees provided to Tube Lines have the appropriate skills required by Tube Lines and that the directors and management secondees gain appropriate understanding of the on-going operational and financial performance of Tube Lines.

The Company's credit risk is primarily attributable to Tube Lines. Credit risk is managed by ensuring that the directors have a thorough understanding of Tube Lines financial performance and position.

The Company monitors cash flow as part of its day-to-day control procedures. The Board considers cash flow projections on a monthly basis and ensures that appropriate facilities are available to be drawn upon as necessary.

Approved by the Board on 30 May 2018 and signed on its behalf by:



.....
A L Nelson
Director

30 May 2018

Amey LUL 2 Limited

Report of the Directors for the Year Ended 31 December 2017

The Directors present their annual report with the audited financial statements of the Company for the year ended 31 December 2017.

Dividends

No dividends were paid by the Company during the year (2016 - £nil). The Directors do not recommend the payment of a final dividend.

Directors of the Company

The Directors, who held office during the year and up to the date of this Report were as follows:

A L Milner

A L Nelson

Going concern

As a consequence of the Company's principal contract coming to an end in 2017, the financial statements are prepared on a basis other than going concern. This has no impact on the value of assets or liabilities on the balance sheet at 31 December 2017. For further details see note 2 in the financial statements.

Policy on slavery and human trafficking

In accordance with the Modern Slavery Act 2015, the Group is committed to ensuring that there is no modern slavery or human trafficking in our supply chains, or in any part of our business, with a zero tolerance for non-compliance. A full statement reflecting that commitment can be found on the Amey website and an abridged statement is included in the financial statements of the Company's intermediate parent company, Amey UK plc.

Statement as to disclosure of information to the auditor

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Reappointment of auditor

Deloitte LLP has been appointed as Auditor and has expressed their willingness to continue in office as Auditor. In accordance with s487 of the Companies Act 2006, Deloitte LLP will be re-appointed as Auditor to the Company.

Approved by the Board on 30 May 2018 and signed on its behalf by:



.....
A L Nelson
Director

30 May 2018

Amey LUL 2 Limited

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards, 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 United Kingdom 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.

Amey LUL 2 Limited

Independent auditor's report to the members of Amey LUL 2 Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the 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 101 'Reduced Disclosure Framework'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Amey LUL 2 Limited (the 'Company') which comprise:

- the income statement;
- 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, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (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.

Emphasis of matter - financial statements prepared other than on a going concern basis

We draw attention to note 2 in the financial statements, which indicates that the financial statements have been prepared on a basis other than that of going concern. Our opinion is not modified in respect of this matter.

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.

Amey LUL 2 Limited

Independent auditor's report to the members of Amey LUL 2 Limited (continued)

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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. 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.

Amey LUL 2 Limited

Independent auditor's report to the members of Amey LUL 2 Limited (continued)

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 and the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, 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.



Andrew Hornby (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Reading
United Kingdom

30 May 2018

Amey LUL 2 Limited**Income Statement for the Year Ended 31 December 2017**

	Notes	2017 £'000	2016 £'000
Revenue	4	34,134	25,921
Cost of sales		<u>(10,348)</u>	<u>(12,142)</u>
Gross profit		23,786	13,779
Administrative expenses		<u>(3,524)</u>	<u>(11,918)</u>
Operating profit		20,262	1,861
Interest receivable and similar income	6	<u>400</u>	<u>350</u>
Profit before taxation	7	20,662	2,211
Tax on profit	8	<u>(3,978)</u>	<u>(445)</u>
Profit for the year		<u><u>16,684</u></u>	<u><u>1,766</u></u>

The notes on pages 12 to 20 form part of these financial statements.

Amey LUL 2 Limited

Statement of Comprehensive Income for the Year Ended 31 December 2017

	2017	2016
	£'000	£'000
Profit for the year	<u>16,684</u>	<u>1,766</u>
Total comprehensive income for the year	<u><u>16,684</u></u>	<u><u>1,766</u></u>

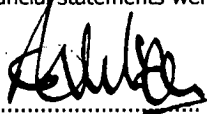
The notes on pages 12 to 20 form part of these financial statements.

Amey LUL 2 Limited (Registered number: 04602504)

Balance Sheet as at 31 December 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Intangible assets	9	-	5,772
Current assets			
Debtors: amounts falling due within one year	10	108,561	87,097
Cash in hand		4,978	9,064
		113,539	96,161
Creditors:			
Amounts falling due within one year	11	(18,846)	(23,924)
Net current assets		94,693	72,237
Net assets		94,693	78,009
Capital and reserves			
Share capital	12	6,000	6,000
Retained earnings		88,693	72,009
Shareholders' funds		94,693	78,009

The financial statements were approved by the Board of Directors on 30 May 2018 and signed on its behalf by:



A L Nelson
Director
30 May 2018

The notes on pages 12 to 20 form part of these financial statements.

Amey LUL 2 Limited

Statement of Changes in Equity for the Year Ended 31 December 2017

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 January 2016	6,000	70,243	76,243
Profit for the year	-	1,766	1,766
Total comprehensive income	-	1,766	1,766
At 31 December 2016	6,000	72,009	78,009

	Share capital £'000	Retained earnings £'000	Total £'000
At 1 January 2017	6,000	72,009	78,009
Profit for the year	-	16,684	16,684
Total comprehensive income	-	16,684	16,684
At 31 December 2017	6,000	88,693	94,693

The notes on pages 12 to 20 form part of these financial statements.

Amey LUL 2 Limited

Notes to the Financial Statements for the Year Ended 31 December 2017

1 General information

The principal activity of Amey LUL 2 Limited (the Company) is the provision of management services and it operates wholly within the UK. The Company is a private company limited by share capital, incorporated and domiciled in the UK and registered in England and Wales.

The Company Secretary and address of the registered office is as follows:

Sherard Secretariat Services Limited

The Sherard Building
Edmund Halley Road
Oxford
Oxfordshire
OX4 4DQ

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.

On 1 January 2017, the following standards which might have an impact on the financial statements came into force in the European Union: Amendments to IAS 7, Disclosure Initiative, Annual Improvements to IFRSs, 2014-2016 Cycle and Amendments to IAS 12, Recognition of Deferred Tax Assets for Unrealised Losses. No significant impact on the Company's financial statements has been identified because of these amendments.

New standards applicable to the Company which have a significant impact and which will be adopted in the accounting period commencing on 1 January 2018:

IFRS 9 - Financial Instruments: IFRS 9 revised accounting for impairment of financial assets and also classification and measurement of financial assets. Under the new standard, the loss allowance for a financial instrument will be calculated at an amount equal to 12-month expected credit losses, or lifetime credit loss, if there has been a significant increase in the credit risk of an instrument. No significant impact is expected to arise from the new classification of financial assets.

There are no other new standards or interpretations that would be expected to have a material impact on the Company.

2 Accounting policies (continued)

Summary of disclosure exemptions

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 paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - paragraph 118(e) of IAS 38 Intangible Assets;
 - paragraphs 76 and 79(d) of IAS 40 Investment Property;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- 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 of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group; and
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

Going concern

As a consequence of the Company's principal contract coming to an end in 2017, the financial statements are prepared on a basis other than going concern. This has no impact on the value of assets or liabilities on the balance sheet at 31 December 2017. No adjustments arose as a result of ceasing to apply the going concern basis.

Other principal accounting policies

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.

2 Accounting policies (continued)

Revenue recognition

Revenue from long-term project contract activities represents the fair value of work done during the year calculated by reference to total sales value and the stage of completion of these contracts including the movement in work in progress during the year. Estimates are included in respect of amounts not invoiced at the balance sheet date. All revenue excludes VAT.

Revenue from other contract activities represents fee income receivable in respect of services provided during the year. Estimates are included of amounts not yet invoiced. The Company manages customer expenditure and charges customers for goods purchased from suppliers and services performed by contractors. These amounts are included in revenue and costs of sales when the Company is acting as a principal, but where the Company is acting as an agent, transactions are recognised on a net basis. The Company defers other fees receivable and brings these fees into revenue in line with the degree of completion of the service delivery.

Intangible assets (goodwill and other intangible assets)

Non-financial assets which are not subject to amortisation are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment where indications exist that the amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying value exceeds its recoverable value. Prior impairments (other than for goodwill) are reviewed for reversal at subsequent reporting dates.

Trade and other receivables

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. They are initially recognised at fair value and subsequently measured at amortised cost, less provision for impairment.

Financial assets

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss (held for trading), and loans and receivables. The classification depends on the purpose for which the financial assets were acquired and is determined at point of initial recognition.

Derivatives are categorised as held for trading unless they are designated as hedges. Where held as hedges, the change in fair value is reflected through other comprehensive income and not through profit and loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except where the maturity is greater than twelve months when they are included in non-current assets, and comprise receivables and cash.

Recognition and measurement

Financial assets held at fair value through profit and loss are initially recognised at fair value. Subsequent changes in fair value are presented in the income statement within interest income or expense in the period in which they arise, unless designated as part of a hedge. Loans and receivables are carried at amortised cost. Financial assets are de-recognised when the rights to receive cash flows have expired.

Amey LUL 2 Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

2 Accounting policies (continued)

Financial liabilities

Classification.

The Company classifies its financial liabilities as other financial liabilities measured at amortised cost using the Effective Interest Rate (EIR) method.

Recognition and measurement

Bank borrowings are recognised at the amount advanced net of any directly attributable transaction costs. Finance costs calculated in accordance with this policy are recognised in finance costs in the income statement.

Current and deferred income tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Cash in hand

Cash in hand includes cash and deposits with banks. Bank overdrafts are shown within borrowings in current liabilities.

Creditors

Obligations to pay for goods and services are recognised initially at fair value and subsequently measured at amortised cost.

Amey LUL 2 Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

3 Critical accounting estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's existing 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 below:

IAS 11

A significant amount of the Company's activities are undertaken via long-term contracts. These contracts are accounted for in accordance with IAS 11 which requires estimates to be made for the contract costs and revenue.

Management base their judgement of contract costs and revenue on the latest available information, which includes detailed contract valuations. In many cases the results reflect the expected outcome of long-term contractual obligations which span more than one reporting period. Contract costs and revenue are affected by a variety of uncertainties that depend on the outcome of future events and often need to be revised as events unfold and uncertainties are resolved. The estimates are updated regularly and significant changes are highlighted through established internal review procedures. The impact of the change in accounting estimate is then reflected in current and future periods.

4 Revenue

Revenue is wholly attributable to the principal activity of provision of management services. All revenue arises solely in the UK.

5 Employees and Directors

The Company had no direct employees in either 2017 or 2016. The costs of employees of Amey Services Limited are recharged to this Company in direct support of its trade.

No Directors were remunerated through the Company in either 2017 or 2016.

Details of the remuneration of the other Directors, whose services are of a non-executive nature and who are also directors of the Company's intermediate parent undertaking, Amey UK plc are disclosed in that company's financial statements. Their remuneration is deemed to be wholly attributable to their services to that company.

6 Interest receivable and similar income

	2017	2016
	£'000	£'000
Interest receivable from fellow group undertakings	<u>400</u>	<u>350</u>

Amey LUL 2 Limited**Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)****7 Profit before taxation**

The profit before taxation is stated after charging:

	2017 £'000	2016 £'000
Contract rights amortisation	<u>5,772</u>	<u>5,771</u>

The auditor's remuneration is borne by Amey Group Services Limited, a fellow subsidiary undertaking of the Company, and is not recharged.

8 Taxation**Analysis of tax charge**

	2017 £'000	2016 £'000
Current tax		
Tax - current year	3,977	443
UK corporation tax adjustment to prior periods	<u>1</u>	<u>2</u>
	<u>3,978</u>	<u>445</u>

Factors affecting the tax expense

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.25% (2016 - 20.00%)

The differences are reconciled below:

	2017 £'000	2016 £'000
Profit before income tax	<u>20,662</u>	<u>2,211</u>
Tax on profit calculated at standard rate	-	442
Effects of:		
Increase/(decrease) in tax from adjustment for prior periods	1	2
Increase/(decrease) from effect of expenses not deductible in determining taxable profit/(tax loss)	<u>-</u>	<u>1</u>
Tax charge	<u>1</u>	<u>445</u>

The UK Finance Act 2016 included provision for the main rate of corporation tax to reduce from 19% to 17% from 1 April 2020. This will reduce the Company's future tax charge accordingly.

Amey LUL 2 Limited**Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)****9 Intangible fixed assets**

	Contract rights £'000
Cost	
At 1 January 2017	73,000
Removed on completion of contract	<u>(73,000)</u>
At 31 December 2017	<u>-</u>
Amortisation	
At 1 January 2017	67,228
Amortisation charge	5,772
Removed on completion of contract	<u>(73,000)</u>
At 31 December 2017	<u>-</u>
Net book value	
At 31 December 2017	<u>-</u>
At 31 December 2016	<u><u>5,772</u></u>

Intangible assets amortisation is recorded as cost of sales in the income statement.

The intangible assets relates to contractual rights acquired with the purchase of the entire business of Jarvis LUL Limited, which provides key operational management and technical staff to Tube Lines Limited under a secondment agreement. The contractual rights were capitalised at their cost of £73 million and were amortised over 13 years, the life of the contract to which it relates. No other assets or liabilities were acquired.

On completion of the Contract, the contract rights have been removed from cost and accumulated amortisation.

10 Trade and other receivables

	2017 £'000	2016 £'000
Amounts falling due within one year:		
Trade debtors	5,912	812
Amounts recoverable on contracts	127	180
Amounts owed by group undertakings	102,319	85,877
Other debtors	194	197
Prepayments and accrued income	<u>9</u>	<u>31</u>
	<u><u>108,561</u></u>	<u><u>87,097</u></u>

Amounts owed by group undertakings are unsecured and are repayable on demand. There is no difference between the book value and the fair value of amounts owed by group undertakings.

Amey LUL 2 Limited**Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)****11 Creditors: amounts falling due within one year**

	2017	2016
	£'000	£'000
Trade creditors	78	-
Social security and other taxes	4,559	5,179
Amounts owed to group undertakings	12,791	10,739
Other creditors	-	113
Accruals and deferred income	1,418	7,893
	<u>18,846</u>	<u>23,924</u>

Amounts due to fellow group undertakings are unsecured and are payable on demand. There is no difference between the book value and the fair value of amounts owed to group undertakings.

12 Share capital**Ordinary shares of £1 each**

	Number	£'000
Authorised, issued and fully paid at 31 December 2017 and at 31 December 2016	<u>6,000,002</u>	<u>6,000</u>

13 Contingent liabilities

The Company has guaranteed certain performance bonds and borrowings of certain group undertakings.

Losses, for which no provision has been made in these financial statements, which might arise from litigation in the normal course of business are not expected to be material in the context of these financial statements.

There were no other contingent liabilities at 31 December 2017 or at 31 December 2016.

14 Capital commitments

The Company had no capital commitments at 31 December 2017 or at 31 December 2016.

Amey LUL 2 Limited

Notes to the Financial Statements for the Year Ended 31 December 2017 (continued)

15 Controlling parties

The immediate parent undertaking is Amey Tube Limited.

The ultimate parent undertaking and the largest group to consolidate these financial statements is Ferrovial, S.A., a company incorporated in Spain.

Copies of the Ferrovial, S.A. consolidated financial statements can be obtained from:

Ferrovial, S.A.
Príncipe de Vergara, 135
28002 Madrid
Spain

or from the Ferrovial, S.A. website: www.ferrovial.com

The parent of the smallest group in which these financial statements are consolidated is Amey UK plc, incorporated in England and Wales.

Copies of those consolidated financial statements can be obtained from the registered office of Amey UK plc:

The Company Secretary
Amey UK plc
The Sherard Building
Edmund Halley Road
Oxford, OX4 4DQ
United Kingdom