mace

ANNUAL REPORT 2016

CONTENTS

FOLLOW US

ABOUT MACE

A BETTER PERSPECTIVE

Mace is an international consultancy and construction company, founded on exceptional people, a commitment to service excellence and a deep-rooted entrepreneurial spirit.

We are living in a world that is developing fast. Property and infrastructure projects and programmes are becoming more complex. The drive for sustainable development is ever more pressing.

To create cities and communities that solve these challenges, we must look at solutions from all angles, innovating together to identify the best course of action.

Our people give us that perspective, with their experience, confidence, drive and commitment to always go the extra mile. Together we strive to build more efficiently, more sustainably, more intelligently and more economically – to create cities and communities that don't just function, but inspire.

OUR VISION, MISSION AND VALUES

For over two decades we have found that having a clear vision helps us to plan for the future and ultimately to achieve our goals. Our vision to be the industry leader in helping to shape cities and build sustainable communities, coupled with our mission to continuously pursue a better way, has helped us to grow, strengthen our position in the industry, and help our clients realise their dreams.

If it is our vision that inspires us and drives us on, it is our four simple values that guide our behaviour and culture of innovation. Our values are integral to us as a company and permeate through everything we do, with our clients, our partners, our suppliers and the communities where we work.

Safety first – no compromise

Client focus – deliver on our promises

Create opportunity – for our people to excel

Integrity – always doing the right thing

OUR INTERNATIONAL PRESENCE

Headcount includes consultants and temporary employees

Headcount
5,067

UK

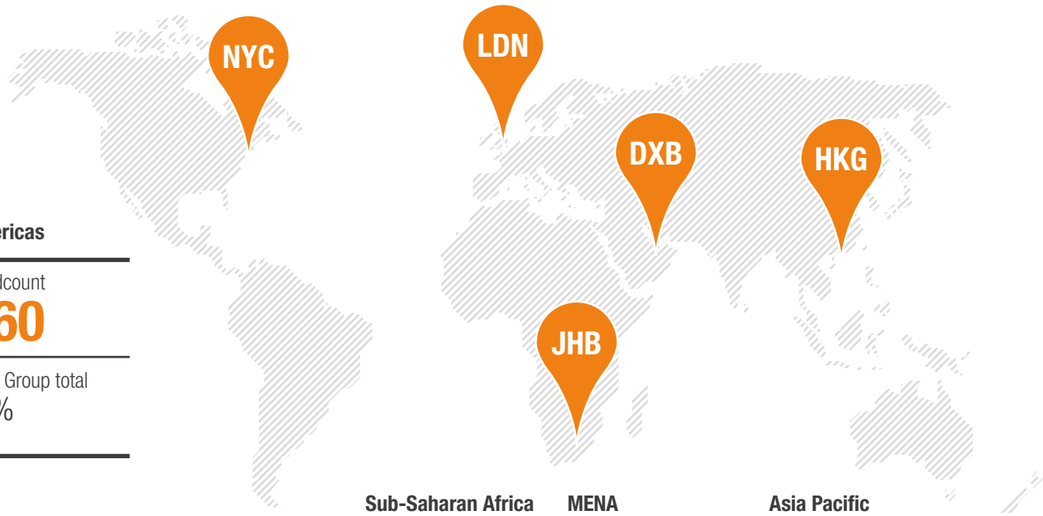
Headcount
3,460

% of Group total
68%

Mainland Europe

Headcount
500

% of Group total
10%



Americas

Headcount
160

% of Group total
3%

Sub-Saharan Africa

Headcount
151

% of Group total
3%

MENA

Headcount
691

% of Group total
14%

Asia Pacific

Headcount
105

% of Group total
2%

OUR SERVICES AND SECTORS

SERVICES

Develop

- Development
- Development management

Consult

- Project & programme management
- Cost consultancy
- Advisory services
  - Strategic advisory services
  - Architecture, engineering & design services
  - BIM

Construct

- Contracting
- Construction management
- Fit out (Como)
- Specialist services
  - Logistics
  - MEP
  - MSecure

Operate

- Facilities management consultancy (Macro)
- Helpdesk services
- Managed services

SECTORS

- Arts & culture
- Commercial
  - Corporate real estate
  - Mixed-use development
  - Offices
  - Retail
- Energy & utilities
  - Energy
  - Utilities
- Health & education
  - Health & social care
  - Education
- Hotels & residential
  - Hotels
  - Residential & student accommodation
- Industrial & biopharm
  - Industrial & manufacturing
  - Data centres
  - Research & biopharmaceuticals
- Leisure & sport
- Public buildings & estates
- Regeneration
- Transport
  - Highways
  - Aviation
  - Rail
  - Ports

2016 IN NUMBERS

Total Group turnover

£1.97bn

International turnover

£517m

Group pre-tax profit

£10.7m

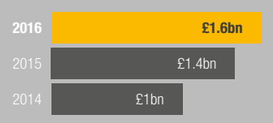
Total Group headcount includes consultants and temporary employees

5,067

DEVELOPMENT

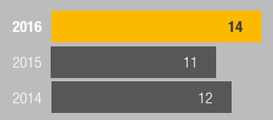
Gross Development Value of real estate investment positions

£1.6bn



Development headcount directly employed staff

14

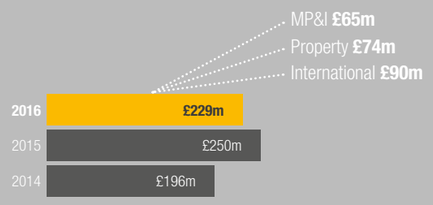


CONSULTANCY

Total Consultancy turnover

£229m

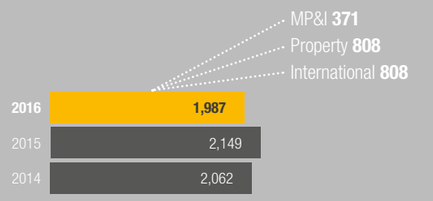
11% of Group total



Total Consultancy headcount directly employed staff

1,987

39% of Group total

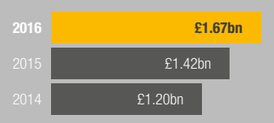


CONSTRUCTION

Construction turnover

£1.67bn

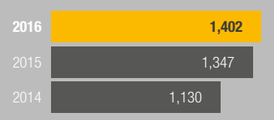
84% of Group total



Construction headcount directly employed staff

1,402

28% of Group total

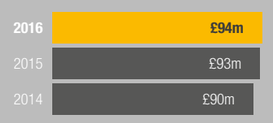


FACILITIES MANAGEMENT (MACRO)

Macro turnover*

£94m

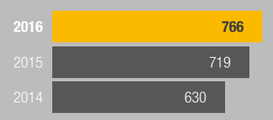
5% of Group total



Macro headcount directly employed staff

766

15% of Group total



Amount donated through the Mace Foundation

£376k

* includes costs recharged to clients

OUR AWARDS

From our commitment to health and safety, to being voted as a top employer, we are proud to have been recognised for our hard work and professionalism across different areas and countries – by our peers and by some of the greats of our industry and beyond.

THE SUNDAY TIMES TOP TRACK 100 2016 HSBC

New Civil Engineer 100 COMPANIES OF THE YEAR 2016 2016 RANKED COMPANY

BRITISH SAFETY COUNCIL Five Star Environmental Audit 2016

WINNER Building AWARDS 2016

The JobCrowd NO 1 COMPANY FOR GRADUATES TO WORK FOR IN 2016/17 CONSTRUCTION & CIVIL ENGINEERING {MORE THAN 30 GRADUATES/YEAR}

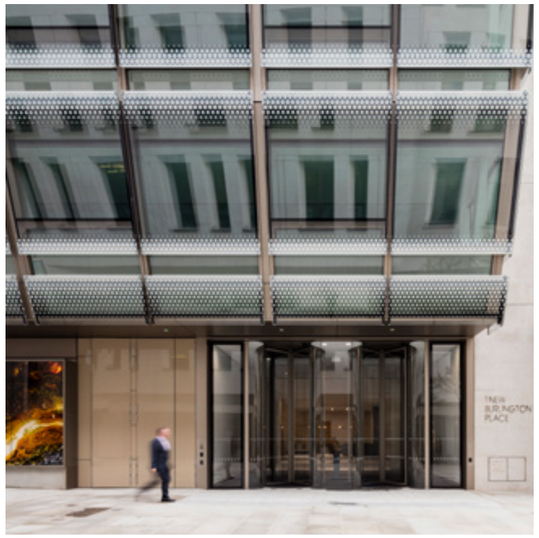
2016 TWENTIETH ANNIVERSARY CN AWARDS WINNER

The JobCrowd TOP 100 COMPANIES FOR GRADUATES TO WORK FOR IN 2016/17 {MORE THAN 30 GRADUATES/YEAR}

MEMBER OF The 5% Club APPRENTICES AND GRADUATES INVESTING IN A GENERATION

Fit out project at **Castleton Commodities International**, 20 Fenchurch Street, London, UK, winner of a Considerate Constructors Scheme National Site Award

OUR PROJECTS

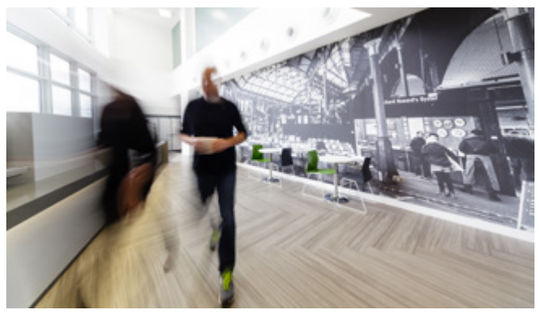


Top left: **New Burlington Place**, London, UK
Top right: **John Lewis**, Leeds, UK
Left: **South Bank Tower**, London, UK
Below: **Oxford Molecular Institute**, Oxford, UK

Left: **Manchester Life**, Manchester, UK
Below: **GSK**, worldwide

Above: **Doha Festival City**, Doha, Qatar
Left: **Dubai Expo 2020**, Dubai, UAE

OUR PROJECTS (CONTD.)



Opposite page top: **The Crest**, New Delhi, India
Opposite page bottom: **Landmark 81**, Ho Chi Minh City, Vietnam

Top: **Walgreens**, North America
Above: **Wynyard Station Upgrade**, New South Wales, Australia
Right top: **V&A Silo District**, Cape Town, South Africa
Right bottom: **Invesco**, worldwide

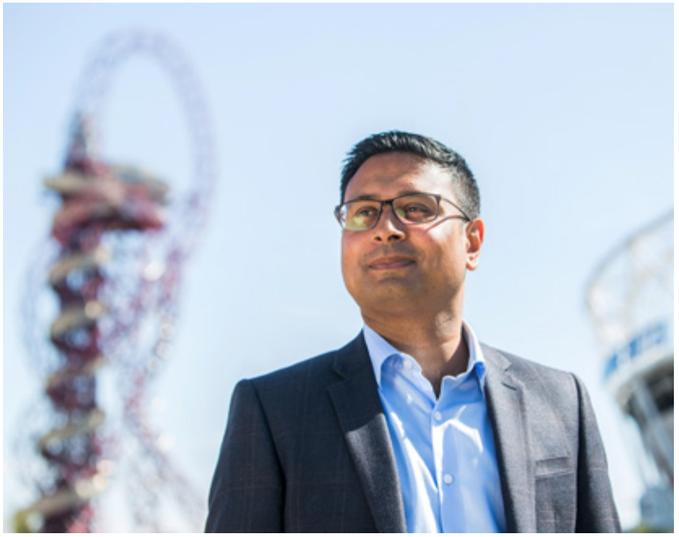
OUR PEOPLE

EVEN WITH THE SIZE OF MACE I FEEL VALUED. I'VE NEVER FELT LOST IN THE MASSES AND MY ACCOMPLISHMENTS FEEL LIKE THEY REALLY MATTER

Bethany McLoughlin
Assistant Manager
Cost Consultancy, UK

IT'S A VERY INSPIRING COMPANY TO WORK FOR. MACE IS ALWAYS STRIVING TO SEE HOW IT CAN BE DIFFERENT AND HOW IT CAN DO THINGS IN A BETTER WAY

Davendra Dabasia
Director
Consultancy, UK



MY CURRENT ROLE GIVES ME THE OPPORTUNITY TO TRAVEL AROUND INDIA AND REALLY GET UNDER THE SKIN OF MANY OF ITS CITIES

Stuart Robinson
Director
Consultancy, India

I ENJOY THE DIVERSITY OF WHAT WE DO, THE PEOPLE WE WORK WITH AND THE FANTASTIC PROJECTS WE DELIVER

Shaun Tate
Director
Construction, UK

I'M DOING EXACTLY WHAT I'D SET OUT TO DO JUST A LOT SOONER THAN I'D THOUGHT POSSIBLE

Mahir Hiranandani
Manager
Developments, UK

MACE STRIVES TO PROVIDE AN ENVIRONMENT WHERE EMPLOYEES CAN IMPROVE THEIR SKILLS AND KNOWLEDGE IN ORDER TO DELIVER A BETTER SERVICE FOR THE BUSINESS

April Gresham
Project Manager
Consultancy, Vietnam

DELIVERING CLIENT VALUE AND REWARDING CAREERS AT MACE

“I’M PART OF A TEAM THAT’S CHANGING THE FACE OF THE CITY, WHICH GIVES YOU A SENSE THAT IN SOME WAY YOU’RE LEAVING YOUR MARK ON THE WORLD”

At Mace we empower our people to be collaborative, innovative and embrace their entrepreneurial spirits.

We aim to attract the best and brightest people, whatever their background, to bring new perspectives to some of the most challenging and inspiring projects around the world.

You might be part of our healthcare team delivering critical hospital care units, or our education team creating schools to inspire our future leaders. You could be a graduate working on the world’s tallest building, or be managing the construction of world-leading cultural landmarks.

We invite you to join us and start a rewarding career with Mace, so you too can leave your mark on the world.

EXECUTIVE CHAIRMAN'S STATEMENT

STEPHEN PYCROFT

"WHEN I JOINED MACE 24 YEARS AGO THE CONSTRUCTION INDUSTRY WAS IN A VERY DIFFERENT PLACE."

From a flourishing market to recessions, global expansion plans to worldwide downturns, it has always been a place of great change. It is hard to remember any time in recent history that has seen such radical transformations as those that occurred in 2016, and especially those with the potential to have such a major impact on our industry.

Although we can't predict the future we have always prided ourselves on our ability to adapt to the market and to set ourselves targets that challenge us and create new boundaries in the industry. In 2013 we announced our targets for 2020, our goal was to become one of the top ten UK contractors and a leading international programme manager; trusted to deliver projects and programmes through our innovative, collaborative and value driven approach. Four years on and we are well on our way to achieving most of these targets, with some having been met ahead of time.

It is well known that we have delivered some of the world's most complex projects and programmes, and have firmly become one of the UK's top contractors. What is less well known is that as a business we became much more diverse going into 2017 and no matter how much we grow, we will never compromise on quality wherever we are in the project lifecycle – from development, consultancy and construction, through to facilities management. This is still what sets us apart as a business and is the reason we are trusted to successfully deliver some of the most renowned construction projects in the history of the industry. Projects such as The Shard, the London Eye, the 2012 London Olympic and Paralympic Games, Jumeirah Beach Residences, the Seed Cathedral for the Shanghai Expo, and Heathrow Terminal 5.

Despite these achievements, it is fair to say that last year was a challenging one for us. A small number of our projects were, for a variety of reasons, harder to deliver than first envisaged. While Mace's turnover increased to reach a record level of £1.97bn – only just below our 2020 target of £2bn – our profits fell to £10.7m. That being said it was our 26th continuous year of making a profit; a record not many companies of our size and scale hold. Over the past three years we have grown at an exceptional rate, increasing our revenue by almost £1bn and our number of staff by 2,000.

Such unprecedented growth brings with it certain challenges in terms of delivery, not to mention the impact of the industry-wide issues we predicted in last year's annual report and additional issues such as high risk projects, incomplete designs and a reliance on the performance of our construction partners. 2016 has taught us some very valuable lessons and as a result, we have put in place additional measures to prevent these problems happening again.

It is our ability to adapt and evolve that has helped us become the successful business we are today. As announced in last year's annual report, in 2015 the Group Board decided to make Mace's largest ever investment in our business support infrastructure, because we recognised the need to bring us in line with global best practice. This will allow us to more effectively manage risk for both ourselves and our clients, better monitor projects and be in a position to respond to new opportunities and challenges.

In the midst of these new opportunities and challenges and as we mark the halfway point in our seven year strategy, it makes sense to revisit our plans and see how they fit in with market changes, the current political landscape and our clients' needs. As a result we will be revising our plans so that they will continue to take us forward in a stable and sustainable way to 2022.

Throughout Mace's history we have used diversification and a focus on new and expanding markets as the answer to uncertainty and instability in the industry. We see it as a natural response to the developing needs of our clients, and so over the last 12 months we have continued to strengthen our market presence and integrated service capability. Once again this strategy has paid off and we were rewarded with significant new work across the infrastructure, property, commercial office and data centre sectors.

A comment on the radical changes taking place in 2016 wouldn't be complete without a reference to the UK's decision to leave the European Union. In the short term this decision had minimal impact, but looking ahead to the longer term the pipeline has unsurprisingly become more uncertain. It is likely that as the UK's future relationship with the EU becomes clearer, the pipeline will also increase in clarity. As it stands we are pleased to report that our medium-term pipeline of work across sectors and our five global hubs remains strong.

As part of a recent research project we asked our clients why it is that they trust Mace to deliver their projects for them. They came back with a clear answer: our people. It is our people's positive and collaborative approach, commitment to open working relationships, willingness to go the extra mile, think creatively and constantly challenge the norm that our clients value. We know that our people are our greatest asset, so I would like to take this opportunity to thank my Mace colleagues and the Group Board for their outstanding efforts and contributions over the last year.

Despite the small number of difficult projects, Mace continues to strengthen its position as one of the most respected and trusted consultancy and construction companies in the world. Although the future is more uncertain, our plans going forward are simple: to continue to grow in a controlled and sustainable way so that our talented people can further develop their careers and continue to work on some of the world's most iconic projects and programmes.

CHIEF EXECUTIVE'S STATEMENT

MARK REYNOLDS

"MACE CONTINUES TO THRIVE, INNOVATE AND CREATE OUTSTANDING VALUE FOR OUR CLIENTS GLOBALLY IN THE PROPERTY AND INFRASTRUCTURE SECTOR."

We are becoming a major exporter of UK construction services, playing an integral role to improve the construction industry and helping to shape cities and build sustainable communities.

After a number of years of tremendous growth, it is fair to say that 2016 was a mixed 12 months for Mace. Whilst our turnover grew to £1.97bn our profits fell to £10.7m which is below our 2020 target. This was due to a small number of challenging construction projects which were secured at the end of the recession. There are many lessons to be learnt and I would like to thank all of my colleagues for their commitment to delivering outstanding buildings in what are sometimes very difficult circumstances.

It is also important to note that we are now becoming a major exporter of construction services, with international turnover going up from £208m in 2015 to £517m in 2016.

In 2015 the Group Board made the company's most significant investment to date, introducing a new business management system to help us monitor, track and analyse project performance across the world. This means that we will be able to better manage risk and respond more quickly to problems and seize new opportunities. Alongside this new technology we have instigated a stronger bidding process and hold more regular and intensive project risk reviews. I am confident that these measures place us in a stronger position going forward.

We have stayed true to our values and have continued to invest in our people, clients and the communities in which we work. At Mace we understand that it is not just what we do that matters, but also how we do it.

While our accident frequency rate improved to 0.07, 2016 was a difficult year. A member of our site workforce tragically lost his life on one of our projects this year. While this is the first death on a Mace site for 18 years, this is why we must continue to make safety our number one priority.

We recognise that it is because of our people that clients choose Mace, investing in our people remains important to us. In 2016 we made a significant investment in training where it would have the maximum benefit across the company – our line managers. We entered into a partnership with an internationally recognised training provider to improve management skills and capabilities throughout the company. So far over 850 line managers have taken part in the training.

The number of people we employ across our five global hubs kept steady at just over 5,000, with the number of female graduates joining our Graduate Development Programmes rising to 38%. The number of our senior managers who are women also rose to over 200 across the company.

We continue to invest in improving how we deliver innovative solutions to make us more productive, efficient and improve the value we offer our clients. In 2016 we invested over £42m in research and development across the business. While the benefits are not immediate, they will help to define how we deliver greater efficiency and value to our clients in the future.

We are particularly proud of the work we have done with our communities. Through the generosity and expertise of Mace's people, our clients and supply chain partners, the Mace Foundation donated £376,000 to 91 charities and worthy causes this year. Since the Foundation was established in 2012 they have now donated over £1.6m to the communities where we work. In addition a total of 18,440 hours was spent by our people volunteering and we did £588,000 worth of pro bono work for charities and not-for-profit organisations.

We have made strong progress with our responsible business targets. This year we achieved or exceeded the majority of our sustainability metrics – with many now nearing 100%. I would like to particularly highlight our improved Considerate Construction Scheme scores, which stood at an average of nearly 41 out of 50 compared to an industry average of 36.

In May 2016, Coopers Lane Primary School in Lewisham, London, UK, contacted Mace for help with installing a disused tube carriage into their school playground, creating an innovative outside learning space for 600 children. Mace's Major Programmes and Infrastructure business adopted this as a volunteer project recording 1,600 volunteer hours over the summer. With the help of Mace's supply chain, £65,000 in pro bono support was donated to install a disused 1978 D-Stock District Line carriage into the school's playground.

CHIEF EXECUTIVE'S STATEMENT
(CONTD.)

We are also proud of procuring 100% of our timber from responsible sources, 100% of our plasterboard from BES6001 certified sources, and saw a 25% rise in the amount of our pre-cast concrete that came from BES6001 sources.

Development
Our development business has continued its strong performance, with schemes totalling £1.6bn in gross development value. We secured planning permission for new student accommodation developments in Exeter and Cardiff, along with a new mixed-used scheme at West Way in Oxford. We secured a position on the Transport for London development partner framework with our partners Peabody and Delancey. Part of our strategy was to expand our development management service, and this is now starting to bear fruit following our appointment to deliver the exciting Westferry Printworks development (above) in East London, for our client Northern and Shell.

Consultancy
Our consultancy business remains strong. However, the completion of a number of very large programmes before the ramping up of recently secured long-term programmes and frameworks resulted in an 8% drop in turnover this year. We also saw a significant improvement in staff utilisation and profitability over the year.

The strategy we developed in 2013 to secure more major programmes across the globe has realised continued benefits for our consultancy business.

We are now working in nearly every major infrastructure sector in the UK, including being the programme delivery partner for Highways England's £9bn capital investment programme, working on all three new nuclear power stations and helping to deliver Heathrow's third runway. As well as work for numerous rail and transport operators.

We continued to deliver a range of projects across the public sector, including the UK's first proton beam centre for The Christie NHS Foundation Trust and providing project and cost management support across University College Hospital NHS Foundation Trust's estate.

We were re-appointed to Manchester City Council's major CAPPS framework, which is used by public sector organisations across the North of England.

In North America, our work with Walgreens continued to go from strength to strength, along with helping to deliver Goldman Sachs' new regional headquarters and completing a number of new luxury stores for Tiffany & Co as part of its global framework.

In the Middle East, we continue to work on some of the region's most iconic projects including Dubai Expo 2020, Jeddah Tower and Doha Festival City. These are three of the largest and most complex projects in the world and we are pleased to be playing a key role in the delivery of each one.

As a result of all this hard work, the turnover of our consultancy business was £229m in 2016.

Construction
In 2016 our construction business worked on over 100 projects, ranging from schools to data centres, and offices to public buildings. Projects which particularly stand out are the iconic Tate Modern Extension on the banks of London's River Thames which completed in June, the pioneering Sky Central building which raises standards of employee wellbeing to a new level and New Burlington Place on London's Regent Street for our client The Crown Estate.

Outside of London, our fit out business, Como, completed the interior of the new John Lewis store in Leeds and for the University of Manchester we are well on the way to delivering a cutting-edge, bright and modern new business school to attract students from across the globe. At the London School of Economics we are delivering an impressive new student centre to satisfy changing expectations of students.

Overseas, we continued to build our international contracting capabilities. We are working with a number of international technology and cloud services companies to build new data centres around Europe.

Although our roster of iconic construction projects continued to grow, there were a very small number of projects that significantly impacted on the overall Group performance. This required us to make a number of changes to manage our risks differently and implement greater controls.

The turnover of our construction business rose to £1.67bn which excludes internal revenues from our MEP, cladding and logistics businesses.

Operate
Our facilities management business, Macro, continued to grow both in the UK and overseas. The turnover in 2016 stood at £94m which includes £45m of through put activities.

We worked on global frameworks with Invesco, Standard Chartered Bank and Cisco, and were chosen as the winners of the 2016 European Facilities Management Award. This hard-won prize is a testament to the dedicated work of the Macro team, and firmly demonstrates that we have become one of the leaders in this sector.

Outlook and priorities
In 2016 we secured a number of high profile programmes and projects that will provide our people with opportunities well into the next decade. We have a substantial £2.35bn pipeline of work that we are confident will be converted into firm secured contracts, and our bidding pipeline at the end of 2016 was £4.5bn.

Since the beginning, Mace has always pursued a better way of doing things for our clients. We are investing in new technology, new approaches and giving our people the skills to succeed in the future. In 2016 we redoubled our efforts with the launch of a new innovation strategy which looks at the emerging technologies and approaches that could benefit our clients in the future. Our plan is simple, drive productivity and efficiency improvements that add value to our clients and our internal performance.

We have also intensified our focus on 'service excellence' to help maintain our strong reputation for dedication to our clients, quality and our willingness to go the extra mile. We introduced several measures that will ensure we continue to deliver on our promises to our clients.

I would like to acknowledge the achievements of all our businesses who individually and collectively have contributed to making Mace a stronger, more capable and resilient company.

The Group Board and I will continue to lead a fantastic company which prides itself on delivering service excellence for our clients, the pursuit of a better way and providing opportunities for our people. We will stay true to our values and the culture that has made Mace the success it is today.

OUR CORPORATE GOVERNANCE

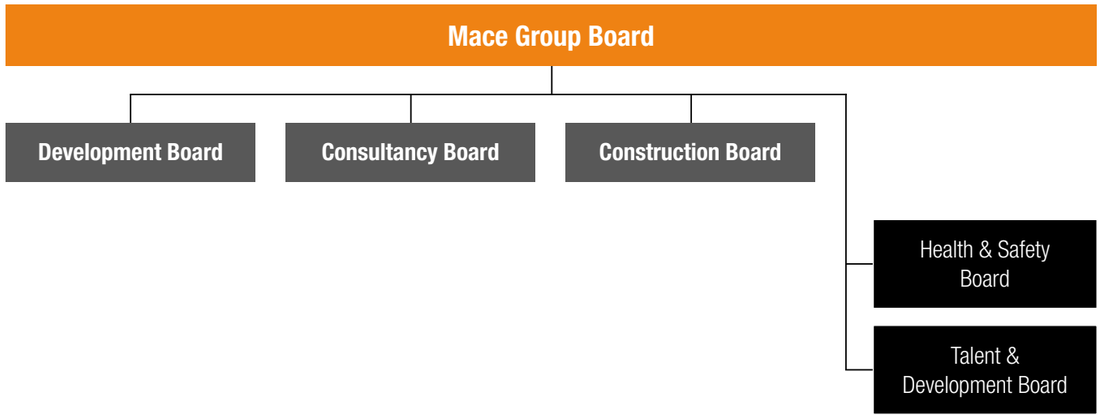
Strong, transparent and accountable governance safeguards the health of Mace. It enables the company to maintain its agility, entrepreneurial spirit and provide career development opportunities for our people.

The Mace Group Board is collectively responsible for the direction and oversight of the company. The Board believes that good governance involves the clarity of roles and responsibilities and the proper utilisation of distinct skills and processes.

The Board is focused on the long-term strategy and how we can continue to meet our clients' ambitions, by structuring our business across three boards – Development, Consultancy and Construction.

The majority of the directors at Mace maintain client involvement and are renowned for their hands on approach, successful stakeholder management, delivery, and employee engagement. This allows them to better understand the complexity of our projects and consistently create value for our clients.

We remain committed to providing exceptional health and safety standards across all our projects. The safety and wellbeing of our people and the communities we work within is fundamental to who we are and everything we do.



SOAS, London, UK

THE GROUP BOARD

Stephen Pycroft
Executive Chairman

Stephen is the Executive Chairman of Mace. Having joined the company in 1993 and appointed a Group Board Director in 1995, he led a management buyout of the company in 2001 and was appointed Chief Operating Officer before taking over as Chief Executive at the end of 2004, and Executive Chairman in 2008.

He stood down as Chief Executive at the end of 2012 after leading the company through a period of phenomenal growth, with turnover increasing from £90m in 2001 to £1.09bn in 2012. He cemented Mace's reputation as one of the leading international consultancy and construction companies with an enviable reputation for quality, innovation and delivery worldwide.

Mark Reynolds
Chief Executive

Appointed Mace's Chief Executive in January 2013, Mark has been a member of the Group Board since the management buyout of the company in 2001.

His 2020 vision is for Mace to double its turnover to become a £2bn company by innovating, investing in our people and delivering a consistent high quality service to clients. Mark gained his early experience in the commercial sector on the Broadgate and Ludgate developments in London, later moving on to projects with BAA.

He was the Deputy Programme Director for the London 2012 Olympic and Paralympic Games, reported as the best ever delivered venue in the history of the modern Olympics.

Since 2016 Mark has sat on the board of the widely respected business body London First.

Mark Holmes COO for Consultancy

Gareth Lewis COO for Construction

David Grover COO for Development

Jason Millett COO for Consultancy

Mark Castle Deputy COO for Construction

Dennis Hone Group Finance Director

Lee Penlington Group Commercial Director

Marcus Burley COO for International

MACE
IN FOCUS

MACE IN FOCUS: DEVELOP

Westway Place
Oxford, UK

Mixed-use developments can transform neighbourhoods. From modern new homes to wide-ranging leisure facilities and attractive outside spaces – getting the blend right brings communities together.

In 2016 we worked with the community of Botley in Oxford to redesign plans that had previously been rejected. Now, with planning consent granted, we are set to begin regenerating the town's 1960s shopping precinct into a bustling centre that will offer something for everyone.

As the development takes shape Botley will welcome new high-quality homes, a hotel, student accommodation, a community centre and 51,000 sq ft of retail and restaurant space set around an attractive central plaza.

It is our vast experience of shaping cities, creating mixed-use developments and our knowledge of Oxford that means we are well placed to understand the community's needs, shape the plans accordingly and lead the scheme through to completion.

Our objective is to create a positive and lasting legacy. When Westway Place completes in 2020 it will add value to Botley, provide a vibrant community hub for its residents and welcome visitors from far and wide.

MACE IN FOCUS: CONSTRUCT

Tate Modern Extension (Blavatnik Building)
London, UK

Much like the artwork that fills Tate Modern, the iconic home of modern art on London's River Thames is built to inspire, challenge convention and celebrate individuality.

Since the doors to the former power station opened in 2000 the number of visitors consistently exceeded capacity, so in 2009 world renowned architects, Herzog & de Meuron, designed an extension to the iconic building that would make use of redundant underground oil tanks to increase gallery space and improve visitor facilities.

It was our experience of creating arts and culture facilities across the globe, our passion for shaping cities and our commitment to creating opportunities that connect people that led to our appointment as construction manager.

In 2016 we handed over the keys to the new 11-storey Blavatnik Building (equivalent to 22 storeys of a standard commercial office block). The expansion artistically brings the gallery into the 21st century while seamlessly tying it into the existing building. The complex truncated pyramid, clad in 336,000 bricks to mirror the look of the original building, incorporates unique windows and a panoramic viewing terrace that appear as "cuts" in the surface, while the concrete interior draws on the industrial heritage of the former power station.

With the completed extension further challenging the world's opinion of modern expression and providing space for 60% more unique pieces of art, the new and bolder Tate Modern will confidently remain one of the most prestigious art centres in the world.

MACE IN FOCUS: CONSULT

Heathrow's Third Runway

London, UK

Europe's busiest airport – Heathrow – welcomes 75 million passengers each year and is home to more than 80 airlines, connecting to more than 190 destinations.

In 2016, the British Government announced its support for Heathrow to significantly expand, taking the airport's capacity to 140 million passengers per year and adding over £200bn in economic benefits to the UK economy and creating 180,000 skilled jobs across the country.

Mace has worked with Heathrow Airport for over 25 years, delivering projects such as the control tower at Terminal 5 and premium departure lounges at Terminal 4. Now we are turning our expertise to support the expansion as Programme Client Partner – a reflection of our consultancy, programme and project management skills, proven delivery capabilities and the expertise of our aviation team.

With construction likely to start in 2020, we will form part of the client management team to set up the project management office and support the Development Consent Order (DCO) planning process. We will also be responsible for planning the construction, undertaking work on the DCO and building a workforce framework to meet the business requirements for the future.

By 2040, with up to 40 more long-haul destinations, Heathrow Airport will make Britain the best-connected country in the world.

MACE IN FOCUS: OPERATE

Standard Chartered Bank
International

Standard Chartered Bank, the leading international banking group, has a brand promise 'here for good', that guides the company to always be there for their clients and always do the right thing.

It is perhaps this commitment, which echoes Mace's own values, that has led to such a long and successful relationship between the two companies.

Macro began working with Standard Chartered Bank in 2009 when we were appointed to provide integrated facilities management services at the bank's offices in the United Arab Emirates and Saudi Arabia. Since then our relationship with Standard Chartered Bank has expanded to 42 countries across four continents.

In 2016, Standard Chartered Bank wanted to implement new ways of working and develop sustainable energy solutions across its worldwide portfolio, and again turned to Macro. We now provide full facilities management services to multiple sites internationally, including business support services, health and safety, and finance and procurement management.

The breadth and depth of our ongoing relationship is truly unique. Demonstrating our ability to move with a client, anywhere in the world, even when it means moving into new territories, has led us to help Standard Chartered Bank to develop innovative solutions. This has enabled the business to focus on the tailored needs of their global clients.

DIRECTORS' REPORTS

FINANCIAL REPORT

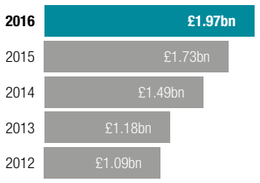
Dennis Hone
Group Finance Director

Group turnover

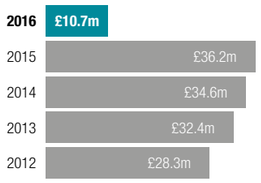
£1.97bn

+13.8%
increase on 2015

Group turnover 2012–16



Group pre-tax profit 2012–16



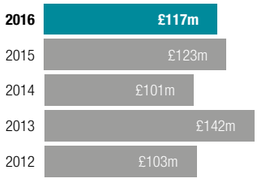
Group cash balance decrease

–4.9%

Group pre-tax profit decrease

–70.4%

Group cash balances 2012–16



2016 was Mace's 26th consecutive year of growing turnover and making a profit. We have been trusted by our clients to deliver some of the world's largest and most complex projects. Projects that we could not have been able to take on ten years ago due to their size and scale.

It is undoubtedly true that the construction sector – and the UK in particular – has been under pressure for some years. This is due to a number of factors, including fluctuations in exchange rates which have impacted the price of imported goods, skills shortages and the resulting wages growth combined with the ever increasing expectations of clients who wish to bear down on cost while consumers demand higher quality. This has seen a general downward trend in margins across projects and across the sector.

For more than 20 years there has been discussion of the skills shortage in the UK and particularly the impact on the construction industry. The sector is heavily reliant on immigration of qualified and experienced labour and this will need to be addressed as the UK Government negotiates our exit from the European Union. Too sharp a contraction in the available overseas workforce will both reduce capacity in the sector and lead to wage inflation that in turn will impact the cost of delivery.

In addition, we are now required to pay both the CITB Levy and the Apprenticeship Levy. While Mace supports investment in training and apprenticeships, the overall level of these levies, geared to our payroll costs, amounts to over £2m in a full year which has to be absorbed by the business. In our view there should be some rationalisation and integration of these two schemes to simplify them and reduce what could be thought of as a tax on jobs. There is clearly a need for government to dovetail its training interventions with changes to the overall availability of overseas labour so that the construction industry can continue to support the UK's industrial strategy.

Perhaps this perfect storm is both a factor of current economic conditions and clients understandably seeking to protect themselves against any potential future volatility. Whatever the underlying cause, the implication is that the construction sector as a whole – which is vital to the wellbeing, productivity, and the growth of the economy – is currently not generating a sustainable level of profits.

While our 2016 turnover increased by nearly 14% to £1.97bn there can be no denying that 2016 was a challenging year for Mace with profit on ordinary activities before tax reducing to £10.7m as a result of project losses on a small number of our construction projects. To put this in context, Mace is currently delivering over 100 construction projects and over 1,000 consultancy assignments that are helping to shape cities and deliver benefits for communities across the world.

Since we started our development business it has continued to expand and at year end was involved in schemes with a total gross development value of £1.6bn. With planning consent granted for student accommodation developments in Exeter and Cardiff and for mixed-use developments at West Way, Oxford and Westferry Printworks in London, we will move these schemes into the construction phase in 2017.

Our consultancy business had a year of consolidation with turnover of £229m. During 2016 we worked on high quality projects and programmes, including Hinkley Point C, the third runway at Heathrow, Goldman Sachs' London Headquarters and global programme delivery for Standard Chartered Bank. We are also helping to deliver the UK's first ever proton beam centre for The Christie NHS Foundation Trust in Manchester, and are working with Jaguar Land Rover on their new car plant in Slovakia.

Our increased construction turnover of £1.67bn in 2016 shows that we continue to be trusted to deliver some of the most complex and challenging schemes in the world. Particularly of note was the completion of South Bank Tower and the Tate Modern Extension on the banks of the River Thames. Both of these projects were complex and unique, but were delivered successfully to the client. In the City of London we also saw the completion of the One Angel Court project for our client Stanhope. Overseas, our international contracting business continued to deliver some cutting-edge data centres for some of the world's largest tech companies and delivered over £400m in turnover.

Our facilities management business, Macro, increased turnover to £94m, including a throughput of work amounting to £45m that was recharged to clients. During the year we worked on global frameworks with clients including Invesco, Standard Chartered Bank and Cisco.

The future pipeline of work and our order book for 2017 and beyond remains strong and it is important to remember that Britain, and particularly London, will remain an attractive choice and a safe haven investment location for the foreseeable future. However, we do operate in a sector which is subject to economic cycles and where the uncertainty of negotiations to leave the European Union could impact labour availability, investment and market sentiment. It is therefore important that we continue to seek cost efficiencies as we grow our business.

The Group Board recognise that steps are needed to address the macroeconomic challenges outlined above. We are aware that there are actions we can take to improve the industry and the service we provide to our clients. We are taking steps to maintain our competitiveness and attractiveness to clients, employees and suppliers. These include:

1. A relentless focus on service excellence and quality
2. Promoting innovation and responsible business activities in our relationships with clients, suppliers and employees
3. Investment in new technology to boost efficiency
4. Investing in our people through world-class training and development
5. More selective and targeted bidding in the sectors we wish to grow in, at margins which are sustainable and with programmes that, although challenging, we believe are realistically deliverable

Our commitment to invest in our people, technology and innovation remains strong and we continue our ambition to always act as a truly responsible business that adds value to clients, end users of our projects, our employees and the communities in which we work.

While 2016 has been challenging, we continued to uphold our values and constantly look for better ways of doing things. I am confident that the measures we are taking, and our strong pipeline, mean that going forward Mace is well placed for sustainable and controlled growth.

MACE PEOPLE REPORT

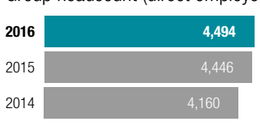
Tracey Locke
Group People Director

Total Group headcount at end of 2016
(includes consultants and temporary employees)

5,067

+0.6%
increase on 2015

Group headcount (direct employees only)



Apprentices and construction trainees

36

Careers Week attendees

39

New graduates

71

Percentage of graduates who are female

38%

Our clients tell us that it is our people that make the difference. Mace people share a common drive to succeed, an enthusiasm for their work, and a passion for providing exceptional service to our clients and communities. The company's ability to meet the needs of a complex and challenging environment would not be possible without the dedication and commitment of our employees.

In 2016 we focused on investing in our systems across the globe and developing our people to be the very best at Mace, with employee numbers kept steady at just over 5,000 people.

We took positive steps to improve our resourcing and attraction strategies, implemented a revised reward strategy and launched new training for line managers, recognising the important role that they play in helping our employees to enjoy successful careers at Mace. In 2016 our Group Board launched the Mace Manager Development programme with an award-winning training provider, Mind Gym, to build the capabilities of our line managers. Through virtual and classroom based development modules over 850 Mace managers received training across the world. We raised the standards of our HR systems and processes, including moving to a self-service model for all employees.

We know that a diverse workforce is better for business and the long-term viability of our industry. In 2016 we stepped up our efforts, including outreach to schools through our Foundations for Your Future working group and launching the second cohort of the Mace Women of the Future programme which now also includes an international programme. Women of the Future gives our future female leaders mentoring, training and tailored events.

For the past ten years we have run the Star Awards for our employees around the world, celebrating individuals and teams and the outstanding contribution that they have made to our business. In 2016 we developed new categories to coincide with our company mission, vision and core values. Winners of these awards demonstrated star quality in their work and proven dedication to living and upholding Mace's values. We also recognised those projects that stood out as true examples of delivery excellence and best practice.

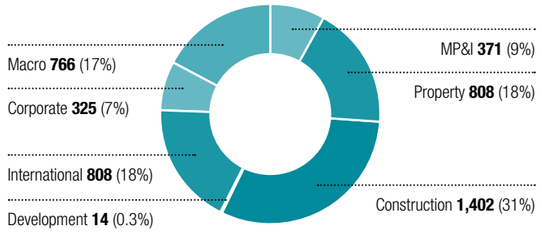
Our Executive Development Framework aims to grow our pipeline of future leaders. In 2016 we ran two development programmes with Imperial College for both middle management and senior leaders, and Programme Management of the Future training with Cranfield University.

We continued to provide excellent opportunities for starting a career in our industry, recruiting 36 apprentices and trainees and welcoming 71 graduates on to the Mace Graduate Development Programme – 38% of whom are female. The Graduate Development Programme continued to receive recognition with Mace being ranked as the 'Top Company for Graduates to Work For' in civil engineering and construction for the third year in a row.

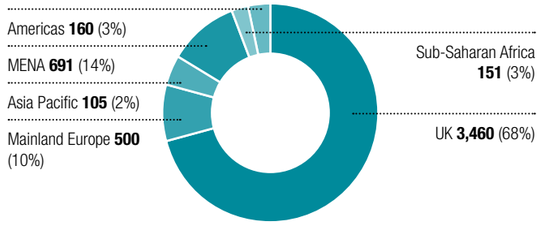
In 2016, the Government introduced the Apprenticeship Levy. In light of this, we are currently reviewing our development offer to ensure that we are leveraging the available funding in the most effective way to build the capability we and the industry need.

Our Employee Engagement Index (EEI) remains very positive at 87%. Looking ahead to 2017, our strategic focus remains on investing in the development of our people to enable them to be the best they can be. We strive to be an employer of choice where we attract and retain the best talent in our industry.

Headcount by service (direct employees only)



Total headcount by region
(includes consultants and temporary employees)



HEALTH AND SAFETY REPORT

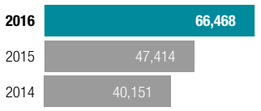
Jason Millett
COO for Consultancy and
Group Board Sponsor for Health and Safety

Hours worked without a reportable incident

3m

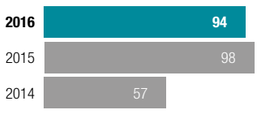
−40%
decrease on 2015

Actions recorded on YellowJacket



+40%
increase on 2015

Lost time incidents on site



−4%
decrease on 2015

First aid incidents on site

+25%
increase on 2015

Nothing is more important than protecting the health, safety and wellbeing of our people, our partners and our supply chain. In 2016 we continued to place huge emphasis on raising the bar and championing change where it is needed. We also expanded our health and safety leadership team to provide greater support to the business.

As one of the founders of the Health in Construction Leadership Group we helped launch a summit with over 150 companies and industry bodies to discuss health issues affecting our industry. This covered diseases caused each year as a result of exposure to health hazards during construction work. We also ran a Mace Health Day and held a mental health awareness week to promote positive wellbeing and physical activity across the business so that Mace people go home safe and healthy at the end of each day.

Building on the success of the previous year, we continued to roll out our specialised training and education programme, which by the end of December had seen a further 2,921 employees trained across the world. We also took the training one step further in 2016 and extended the programme to our supply chain, successfully educating 9,000 people.

In its third year, our annual 'Safety first. Second nature.' awards went from strength to strength. The SFSN Awards were created in 2014 to recognise and reward our health and safety achievements. With more people and projects entered than ever before, the consistently high standard of entries proves more than anything else our commitment to delivering health and safety excellence and how much we value our partners.

Our commitment to health and safety was recognised at the prestigious Royal Society for the Prevention of Accidents (RoSPA) awards ceremony where we picked up 13 awards that spanned 11 of our business divisions, including the aviation, public (PREACH) and commercial sectors. Four Mace teams were awarded prestigious gold medals for winning five consecutive RoSPA Gold Awards, and Mace Logistics received its second consecutive Gold Medal.

We also achieved a record-breaking three Swords of Honour and three Globes of Honour from the British Safety Council for our work in infrastructure and aviation at Heathrow Airport and in international contracting. This is the first year our teams have been awarded both Swords and Globes for an international construction project and demonstrates our commitment to adopting and delivering the best health and safety practices in every region that we operate. In addition, our project team working on Doha Festival City were awarded an International Safety Award for the second year running. With a workforce of 9,000 during the peak of construction, the team were recognised for raising the bar in health and safety excellence.

In 2016 our accident frequency rate improved to 0.07 (a decrease of 28% from 2015), with the number of RIDDOR injuries on our projects reduced by 26% from 31 in 2015 to 23. For the second year running we have seen an increase in the number of recorded observations to 101,404 – an increase of 27% on 2015. Despite a minor reduction in lost time injuries, we saw a 25% increase in first aid incidents on site. This was due to a number of challenging construction projects we worked on over 2016, with the associated increase of 16% of on-site personnel.

It is fair to say that despite several positive developments we experienced a difficult year overall for health and safety in 2016. We tragically saw the first death in 18 years on one of our construction projects. This served as a stark reminder that however rigorous our approaches are and however seriously any company takes health and safety we can and should do more.

Our plans for 2017 reflect this commitment. We are placing even greater emphasis on strengthening our health and safety culture at all levels in the company. In addition, 2017 will see us improving education around physical and mental wellbeing. It's important that we encourage Mace people to lead healthy lifestyles, have a good work/life balance, and that we work hard to remove stigma and misunderstanding around mental health – an issue that the industry as a whole must challenge. We recognise that we must work together as a team to be the safest and healthiest we can be.

I wish to thank my Mace colleagues, partners and supply chain for all their hard work in 2016, and look forward to further improving our performance and strengthening Mace's position as an industry leader committed to health, wellbeing and safety.

Number of observations

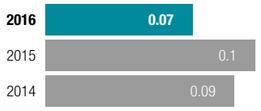
101,404

+27%
increase on 2015

Number of RIDDORs

−26%
decrease on 2015

Accident Frequency Rate (AFR)



−28%
decrease on 2015

2016 RoSPA Gold Medal Award

Gold Medal Award presented to the **Logistics**, **Infrastructure and Aviation** and **MEP** business units.

2016 RoSPA Gold Award

Gold Award presented to the **Residential**, **Commercial Offices**, **International Contracting**, **Macro** (facilities management), **Technical & Renewable Energy** and **Retail** business units.

2016 RoSPA Silver Award

Silver Award presented to the **Major Projects** business unit.

RESPONSIBLE BUSINESS REPORT

At Mace, we recognise that business is not just about what we do, but about how we do it. Whether it is controlling our carbon footprint, investing in responsibly sourced materials or creating social value for our clients, our people continue to advance and share industry best practice.

In 2016 we recognised that while our construction footprint was already industry-leading, we needed to challenge ourselves further, particularly where we have an advisory role with clients.

So this year we started work on our responsible business strategy, to be launched in early 2017, that will ensure that our business grows responsibly. The strategy focuses on wellbeing and opportunity, quality of environment and resource efficiency. It will shape how we embed, develop and implement new technologies, products, partnerships and ways of working. And we will scale up our efforts to share best practices and innovation, supporting relevant research and development programmes, and working with clients, partners and suppliers to find a better and more responsible way.

We remain clear that it is our responsibility to support communities in the areas where we work. Throughout 2016, whether we were regenerating parts of a city or building new local facilities, we continued to actively seek opportunities to help charities, small businesses and local residents. Through our independently run charity, the Mace Foundation, 1,800 of our people volunteered their time for worthy causes and we donated a total of £376,000.

Our focus on remaining an industry leader in sustainability saw us continue to raise the bar. We proved ourselves through exceptional performance on our projects, achieving 5 star audits from the British Safety Council and three Globes of Honour. Our work with Heathrow Airport led to us being awarded the Partner of the Year accolade for exceptional support and commitment to Heathrow's Responsible Heathrow 2020 vision and values, which included raising over £30,000 for various charities.

We improved biodiversity on our sites by 23% through on- and off-site measures, continuing our support for green infrastructure. We maintained our commitment to buy 100% renewable energy, and further reduced our carbon footprint through a range of efficiency measures such as further investment in on-site controls, energy-metering and LED lighting.

Our 5 star rating was confirmed for the fifth year by Achilles Building Confidence with 11 best practices recognised and no issues raised. As a top contributor to the Considerate Constructor Best Practice Hub in 2016 we shared more of our sustainability best practices and outperformed our industry peers with an average score of 40.37. Around 50% of our eligible projects received Considerate Constructors Scheme awards.

We expanded our responsible sourcing programme to include mechanical and electrical products and façades and were proud to become the first contractor to adopt SEDEX (Supplier Ethical Data Exchange), resulting in over 100 of our key suppliers signing up to the programme.

Our goal is to be more efficient, progressive and collaborative in delivering our vision, and to quantify the shared value that we generate together with our clients, suppliers, partners and stakeholders.

Being a responsible business does not happen by chance. It's what we do. Every day.

The **Mace Foundation** works to improve the lives of people and communities where Mace has an impact. Through the generosity, resources and expertise of Mace employees, clients and supply chain partners, the Foundation donated to **91 charities and worthy causes** in 2016, taking our overall donation to improve the communities in which Mace works to **£1.6m** since we launched the charity in November 2012.

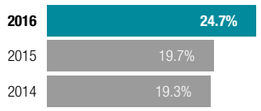
FSC certified

Water used (m³ per £100k spend)

Carbon emissions (kg CO2e per £100k)

CCS average scores

Biodiversity increase in area on site



Timber sourced from certified responsible sources

100%

Plasterboard from BES6001 certified sources

100%

Rebar from BES6001 or CARES SRS certified sources

97.1%

Pre-cast concrete from BES6001 certified sources

94.76%

In situ concrete from BES6001 certified sources

90.39%

Structural steel from BES6001 certified sources

97.9%

Read the Mace Foundation Annual Review here

ANNUAL ACCOUNTS

COMPANY INFORMATION

Directors	Mark Castle Amy Chapman David Grover Mark Holmes Dennis Hone Gareth Lewis Jason Millett Lee Penlington Stephen Pycroft Mark Reynolds David Williams Mandy Willis Ian Wylie
Secretary	Eloise Mangan
Registered office	155 Moorgate London EC2M 6XB
Domiciled	United Kingdom
Auditor	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Bankers	Barclays Bank plc London Corporate Banking Level 28 1 Churchill Place London E14 5HP
Company registration number	02410626

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2016

The directors present their annual report on the affairs of the Group, together with audited financial statements and auditor's report, for the year ended 31 December 2016.

Principal activity

Mace is an international consultancy and construction group whose principal activities continue to be construction delivery, project and programme management, cost consultancy and facilities management. In addition the Group has made certain investments in property development projects.

Results and dividends

The consolidated profit for the year before taxation amounted to £10.7m (2015: £36.2m). The directors have paid dividends of £16.3m (2015: £46.8m of which £35m facilitated a capital reduction). No further dividend is proposed.

Strategic report

The Group is required by section 414A of the Companies Act 2006 to present a strategic report in the annual report. This can be found at the beginning of this document and in our filings with Companies House. The strategic report contains, where appropriate, an indication of the directors' view on likely future developments in the business of the Group.

Directors

The directors who held office during the year were:

Mark Castle
Amy Chapman
David Grover
Mark Holmes
Dennis Hone
Gareth Lewis
Jason Millett
Lee Penlington
Stephen Pycroft
Mark Reynolds
David Williams
Mandy Willis
Ian Wylie

Financial instruments

Further information regarding the Group's financial instruments related policies and a consideration of its liquidity and other financing risks can be found in the strategic report and in note 3 to the financial statements.

Directors' indemnity insurance

The Company provides a directors' and officers' insurance policy which was in place during the year and remains in force at the date of this report.

Going concern

The Group has considerable financial resources, with cash of £117m at 31 December 2016 and in addition long-term contracts and a diverse range of customers and suppliers across its business activities.

After making appropriate enquiries and taking into account the Bond issue on 23 March 2017, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operation for the foreseeable future and have therefore continued to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies in the financial statements.

Employees

The directors recognise that employees are fundamental to the Group's success and are committed to the involvement and development of employees at all levels.

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Arrangements exist to keep all employees informed on matters of concern to them and information on Group performance and prospects is disseminated widely.

Employees are encouraged to be concerned with the performance and efficiency of the Group and various profit sharing and bonus schemes operate to emphasise and reinforce this.

The directors would like to thank all our employees for their hard work during the year.

Research and development

The Group has invested £42m (2015: £40m) in research and development activities on projects in the course of seeking and delivering innovative solutions for our clients.

Disclosure of information to auditors

Each of the persons who is a director as at the date of this report confirms that:

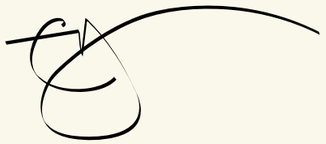
- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditors

Moore Stephens LLP will be reappointed as auditor for the ensuing year in accordance with Chapter 2 of Part 16 of the Companies Act 2006.

The financial statements are approved by the Board and signed by order of directors.



Eloise Mangan
Group Company Secretary

12 June 2017

DIRECTORS' RESPONSIBILITIES STATEMENT

YEAR ENDED 31 DECEMBER 2016

The directors are responsible for preparing the Strategic Report, 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 IFRS as adopted by the European Union and applicable law. The financial statements must, in accordance with IFRS as adopted by the European Union, present fairly the financial position and performance of the Company; such references in the UK Companies Act 2006 to such financial statements giving a true and fair view are references to their achieving a fair presentation. Under company law directors must not approve the financial statements unless they are satisfied that they give a true and fair view.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union; 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF MACE LIMITED

YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of Mace Limited for the year ended 31 December 2016 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Financial Position, the Company Statement of Changes in Equity, the Company Statement of Cash Flows, the related notes 1 to 28 to the Consolidated Financial Statements and the Company Financial Statements. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 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. 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 Group's and 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 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.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2016 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements 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 strategic report and the directors' report for the financial year for which the group financial statements are prepared is consistent with the group financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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 by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Company 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.

Moore Stephens LLP

Paul Fenner (Senior Statutory Auditor)
for and on behalf of MOORE STEPHENS LLP
Chartered Accountants and Statutory Auditor
London

12 June 2017

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 31 DECEMBER 2016

Continuing Operations	Notes	Year ended 31 December 2016 £000s	Restated* Year ended 31 December 2015 £000s
Revenue: Group and share of joint ventures		**2,041,055**	1,811,344
Less: Costs recharged to clients		**(44,778)**	(39,403)
Less: Share of joint ventures' revenue		**(30,429)**	(44,660)
Group revenue	4	**1,965,848**	1,727,281
Cost of sales		**(1,847,843)**	(1,594,152)
Gross profit		**118,005**	133,129
Administrative expenses		**(108,562)**	(114,012)
Operating profit	5	**9,443**	19,117
Joint ventures and associates			
Share of operating profit before tax		**987**	897
Profit on disposal of an interest in a development asset	18	**2,032**	17,641
Profit on ordinary activities before interest		**12,462**	37,655
Net finance costs payable	6	**(1,730)**	(1,443)
Profit on ordinary activities before taxation		**10,732**	36,212
Income tax expense	10	**(3,775)**	(8,345)
Profit on ordinary activities after taxation		**6,957**	27,867
Other comprehensive income:			
Exchange differences on re-translation of foreign subsidiaries		**4,428**	(2,773)
Total comprehensive income for the year		**11,385**	25,094

* Restated – revenue and cost of sales have been adjusted for costs recharged to clients of £39,403,000 in respect of Mace Macro Limited.

The notes on pages 64 to 98 form part of the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 DECEMBER 2016

	Notes	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Non-current assets			
Tangible assets	11	**21,385**	21,606
Intangible assets	12	**13,606**	13,606
Investments			
Investments in joint ventures	13	**2,195**	592
Other investment	15	**9,818**	9,818
Total investments	15	**12,013**	10,410
		47,004	45,622
Current assets			
Trade and other receivables	16	**432,647**	360,256
Current asset investment	17	**35,000**	35,000
Work in progress		**23,423**	13,391
Cash and cash equivalents		**116,623**	122,765
		607,693	531,412
Current liabilities			
Trade and other payables	19	**(587,107)**	(509,098)
Net current assets		**20,586**	22,314
Total assets less current liabilities		**67,590**	67,936
Non-current liabilities			
Trade and other payables	20	**(6,353)**	(1,667)
Net assets		**61,237**	66,269
Capital and reserves			
Called up share capital	21	**1,000**	1,000
Profit and loss account		**60,392**	65,317
Equity shareholders' funds		**61,392**	66,317
Non-controlling interests		**(155)**	(48)
		61,237	66,269

These financial statements were approved by the directors, authorised for issue on 12 June 2017, and are signed on their behalf by:

Mark Reynolds
Chief Executive Officer

Dennis Hone
Group Finance Director

The notes on pages 64 to 98 form part of the financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31 DECEMBER 2016

	Notes	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Non-current assets			
Tangible assets	11	**16,282**	16,278
Investments	15	**17,793**	17,793
		34,075	34,071
Current assets			
Trade and other receivables	16	**277,393**	305,869
Current asset investment	17	**35,000**	35,000
Work in progress		**5,577**	5,416
Cash and cash equivalents		**38,036**	31,639
		356,006	377,924
Current liabilities			
Trade and other payables	19	**(359,390)**	(378,599)
Net current liabilities		**(3,384)**	(675)
Total assets less current liabilities		**30,691**	33,396
Non-current liabilities			
Trade and other payables	20	**(6,354)**	(1,653)
Net assets		**24,337**	31,743
Capital and reserves			
Called up share capital	21	**1,000**	1,000
Profit and loss account		**23,337**	30,743
Equity shareholders' funds		**24,337**	31,743

A separate profit and loss account for the Company is not presented as permitted by section 408 of the Companies Act 2006. The profit after taxation of the Company was £8.9m (2015: £18.9m).

These financial statements were approved by the directors, authorised for issue on 12 June 2017 and are signed on their behalf by:

Mark Reynolds
Chief Executive Officer

Dennis Hone
Group Finance Director

The notes on pages 64 to 98 form part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2016

	Notes	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Cash flows from operating activities	22	**6,600**	60,954
Cash flows from investing activities			
Purchase of property, plant and equipment		**(4,933)**	(4,779)
Purchase of share in associates		**(647)**	-
Acquisition of investments		**-**	(23,925)
Proceeds of fixed asset and disposals		**50**	22
Distribution from joint venture		**565**	204
Proceeds on disposal of investments		**3,812**	-
Net cash used in investing activities		**(1,153)**	(28,478)
Cash flows from financing activities			
Net dividends paid		**(16,310)**	(10,781)
Payment to minority interest		**(107)**	-
Increase in borrowings		**4,828**	-
Share issue		**-**	4
Net cash used in financing activities		**(11,589)**	(10,777)
Net (decrease)/increase in cash		**(6,142)**	21,699
Cash and cash equivalents at beginning of year		**122,765**	101,066
Cash and cash equivalents at end of period		**116,623**	122,765

The notes on pages 64 to 98 form part of the consolidated financial statements.

COMPANY STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2016

	Notes	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Cash flows from operating activities	22	**6,680**	15,601
Purchase of property, plant and equipment		**(4,421)**	(3,864)
Dividends received from subsidiary undertakings		**20,448**	9,550
Acquisition of investments		**-**	(23,925)
Net cash used in investing activities		**16,027**	(18,239)
Cash flows from financing activities			
Dividends paid		**(16,310)**	(10,781)
Share issue		**-**	4
Net cash used in financing activities		**(16,310)**	(10,777)
Net decrease in cash		**6,397**	(13,415)
Cash and cash equivalents at beginning of period		**31,639**	45,054
Cash and cash equivalents at end of period		**38,036**	31,639

The notes on pages 64 to 98 form part of the consolidated financial statements.

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2016

Group	Share capital £000s	Share premium £000s	Capital redemption £000s	Other reserve £000s	Retained earnings £000s	Total £000s
Equity shareholders' funds as at 1 January 2015	979	17	60	65	51,364	**52,485**
Profit and total comprehensive income for the year	-	-	-	-	27,866	**27,866**
Retranslation	-	-	-	-	(2,773)	**(2,773)**
Share issue	1,024	33,980	-	-	-	**35,004**
Share reduction	(1,003)	(33,997)	-	-	35,000	**-**
Dividends paid	-	-	-	-	(46,265)	**(46,265)**
Transfers	-	-	(60)	(65)	125	**-**
Equity shareholders' funds as at 1 January 2016	1,000	-	-	-	65,317	**66,317**
Profit and total comprehensive income for the year	-	-	-	-	6,957	**6,957**
Retranslation	-	-	-	-	4,428	**4,428**
Dividends paid	-	-	-	-	(16,310)	**(16,310)**
Equity shareholders' funds as at 31 December 2016	**1,000**	**-**	**-**	**-**	**60,392**	**61,392**

Company	Share capital £000s	Share premium £000s	Capital redemption £000s	Retained earnings £000s	Total £000s
Equity shareholders' funds as at 1 January 2015	979	17	60	23,032	**24,088**
Profit and total comprehensive income for the year	-	-	-	18,916	**18,916**
Share issue	1,024	33,980	-	-	**35,004**
Share reduction	(1,003)	(33,997)	-	35,000	**-**
Dividends paid	-	-	-	(46,265)	**(46,265)**
Transfers	-	-	(60)	60	**-**
Equity shareholders' funds as at 1 January 2016	1,000	-	-	30,743	**31,743**
Profit and total comprehensive income for the year	-	-	-	8,904	**8,904**
Dividends paid	-	-	-	(16,310)	**(16,310)**
Equity shareholders' funds as at 31 December 2016	**1,000**	**-**	**-**	**23,337**	**24,337**

The notes on pages 64 to 98 form part of the consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2016

1. Accounting policies

General information

Mace Limited (the Company) is a private limited company incorporated, listed and domiciled in England and Wales. The address of the registered office is 155 Moorgate, London, EC2M 6XB. The principal activities of the group and the company are detailed in the director's report.

The financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates. The amounts stated are denominated in thousands (£'000).

Basis of accounting

These consolidated financial statements have been prepared in accordance with EU adopted International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), IFRS Interpretations Committee (IFRS IC) interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative financial instruments) at fair value through profit and loss. The Group has consistently applied all accounting standards and interpretations issued by the International Accounting Standards Board and IFRS IC, and endorsed by the EU, relevant to its operations and effective on 1 January 2016.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 to not present the Parent Company income statement and statement of comprehensive income. The profit for the Parent Company for the year was £8.9m (2015: profit £18.9m).

Basis of consolidation

The Group financial statements incorporate the results of Mace Limited, its subsidiary undertakings and the Group's share of the results of joint ventures. Subsidiaries are all entities over which the Group has control.

The exposure or right to variable returns from its involvement with an investee, and the ability to influence those returns, are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group, until the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured at the fair value of the assets transferred, equity instruments issued and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed to the income statement. The identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date, irrespective of any non-controlling interest. The excess of cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of acquired subsidiaries are changed where necessary, to ensure consistency with policies adopted by the Group. The Company has guaranteed the liabilities of certain subsidiaries included within note 28. Where the Company has guaranteed the liabilities of the subsidiary and they are included within the consolidated financial statements the subsidiaries were exempt from the requirements of audit under section 479A of the Companies Act 2006.

Revenue

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable in the normal course of business, net of discounts, VAT and other sales related tax

(a) Construction contracts

Revenue arises from the increase in the value of work performed on construction contracts and on the value of services provided during the year. Where the outcome of a long term contract can be reliably estimated and it is probable that the contract will be profitable, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date. Stage of completion is assessed by reference to the proportion of contract costs incurred for the work performed to date relative to the estimated total costs. Variations and claims are included in revenue where it is probable that the amount, which can be measured reliably, will be recovered from the client. When the outcome of a long-term contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Construction work in progress is stated at cost plus profit recognised to date less a provision for foreseeable losses and less amounts to be billed, and is included in amounts recoverable on contracts. Cost includes all expenditure related directly to specific projects and an appropriate allocation of fixed and variable overheads based on normal operating capacity. Amounts valued and billed to clients are included in trade receivables. Where cash received from customers exceeds the value of work performed, the amount is included in credit balances on long term contracts.

(b) Other revenue

Revenue from other services contracts is recognised when the service is provided. Revenue from the sale of land is recognised when the significant risks and rewards of ownership have been transferred to the buyer, the amount of revenue can be reliably measured and it is probable that the economic benefits associated with the transaction will flow to the Group.

Acquisitions

Acquisitions of subsidiaries are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of assets transferred by the Group, liabilities incurred by the Group from the former owners of the acquired company and the equity interest issued by the Group in exchange for control of the acquired company. Acquisition related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and liabilities assumed are recognised at their fair value at the acquisition date. Goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed. If after reassessment the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill

Goodwill is initially recognised and measured as set out below.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) expected to benefit from the synergies of the combination. CGUs to which the goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is calculated so as to write off the cost of a tangible asset less its estimated residual value over the estimated useful economic life of that asset on the following bases:

Leasehold improvements	over the period of the lease
Plant, motor vehicles and equipment	10% to 20% per annum on a straight line basis
Computer equipment	33% per annum on a straight line basis
Freehold property	5% per annum on a straight line basis

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, over the term of the relevant lease.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Retirement benefit costs

The Group contributes to the personal pension plans of certain employees of the Group. The assets of these schemes are held in independently administered funds. The pension cost charged in the financial statements represents the contributions payable by the Group in accordance with IAS 19.

Taxation

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

The current tax payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates prevailing in the year.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences; deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the statement of financial position date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively. When current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, and where it is probable that the Group will be required to settle that obligation and the amount can be reliably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the time value of money is material).

Contingent liabilities acquired in a business combination are initially valued at fair value at the acquisition date. At the end of subsequent reporting periods, such contingent liabilities are measured at the higher of the amount that would be recognised in accordance with IAS 37 and the amount initially recognised.

Financial instruments

Financial assets and financial liabilities are recognised on the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Group are as follows:

(a) Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Trade receivables do not carry any interest and are stated at their initial value reduced by appropriate allowances for estimated irrecoverable amounts. Provisions against trade receivables and amounts recoverable on contracts are made when objective evidence is received that the Group will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write down is determined as the difference between the assets's carrying amount and the present value of estimated future cash flows. Individually significant balances are reviewed separately for impairment based on the credit terms agreed with the customer. Other balances are reviewed in aggregate.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with a maturity of three months or less. Bank overdrafts are presented as current liabilities to the extent that there is no right of offset with cash balances.

(c) Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment. Any contingent consideration is recognised as an accrual at the acquisition date and is measured at the present value of the expected settlement using a pre-tax discount rate that reflects current market assessment of the time value of money. The increase in the accrual due to the passage of time is recognised as an interest expense. Any change to the value of contingent consideration identified within 12 months of the year end in which the acquisition occurred is reflected in the original cost of the investment. Subsequent changes to the value of contingent consideration are reflected in the statement of comprehensive income in the Group accounts.

Where the Company or its subsidiaries has significant influence over an entity, normally being more than 20% and less than 50%, then that investment is classified as an associate and is equity accounted for.

The Company assesses investments for impairment whenever events or changes in circumstances indicate that the carrying value of an investment may have suffered an impairment loss. If any such indication exists the Company makes an estimate of the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. Value in use represents the discounted net present value of expected future cash flows. If the recoverable amount is less than the value of the investment, the investment is considered to be impaired and is written down to its recoverable amount, and an impairment loss is recognised immediately in the statement of comprehensive income of the Company.

(d) Trade and other payables

Trade and other payables are not interest bearing and are stated initially at fair value and subsequently held at amortised cost.

(e) Other borrowings

Interest-bearing bank and other loans are recorded at the fair value of the proceeds received net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for at amortised cost and on an accruals basis in the statement of comprehensive income using the effective interest method. Interest is added to the carrying value of the instrument to the extent that they are not settled in the period in which they arise.

(f) Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations rather than the financial instrument's legal form. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(g) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Operating leases

Amounts due under operating leases are charged to the statement of comprehensive income in equal annual instalments over the period of the lease.

Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Board. The main Group Board is responsible for allocating resources and assessing performance of the operating segments.

Foreign currencies

Transactions denominated in foreign currencies are recorded at the exchange rates in effect when they take place. Resulting foreign currency denominated assets and liabilities are translated at the exchange rates ruling at the balance sheet date. Exchange differences arising from foreign currency transactions are reflected in the income statement.

The assets and liabilities of overseas subsidiary undertakings are translated at the rate of exchange ruling at the balance sheet date. Trading profits or losses are translated at average rates prevailing during the accounting period. Differences on exchange arising from the retranslation of net investments in overseas subsidiary undertakings at the year-end rates are recognised in other comprehensive income. All other translation differences are reflected in the income statement.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

Standards and interpretations in issue but not yet effective
A number of new standards and amendments to existing standards have been published which are mandatory, but are not effective for the year ended 31 December 2016. The directors do not anticipate that the adoption of these revised standards and interpretations will have a significant impact on the figures included in the financial statements in the period of initial application other than the following:

IFRS 9 Financial instruments
The standard is effective for periods beginning on or after 1 January 2018 but is yet to be endorsed by the European Union.

The standard makes substantial changes to the measurement of financial assets and financial liabilities. There will only be three categories of financial assets whereby financial assets are recognised at either fair value through profit and loss, fair value through other comprehensive income or measured at amortised cost. On adoption of the standard, the Group will have to re-determine the classification of its financial assets based on the business model for each category of financial asset. This is not considered likely to give rise to any significant adjustments other than reclassifications.

The principal change to the measurement of financial assets measured at amortised cost or fair value through other comprehensive income is that impairments will be recognised on an expected loss basis compared to the current incurred loss approach. As such, where there are expected to be credit losses these are recognised in profit or loss. For financial assets measured at amortised cost the carrying amount of the asset is reduced for the loss allowance. For financial assets measured at fair value through other comprehensive income the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset.

Most financial liabilities will continue to be carried at amortised cost, however, some financial liabilities will be required to be measured at fair value through profit or loss, for example derivative financial instruments, with changes in the liabilities' credit risk recognised in other comprehensive income.

IFRS 15 – Revenue from contracts with customers
The standard has been developed to provide a comprehensive set of principles in presenting qualitative and quantitative information on the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The standard is based around the following steps in recognising revenue:

1. Identify the contract with the customer;
2. Determine the transaction price;
3. Allocate the transaction price; and
4. Recognise revenue when a performance obligation is satisfied.

On application of the standard the disclosures are likely to increase. The effective date is periods beginning on or after 1 Jan 2018.

IFRS 16 – Leases
The standard is effective for periods beginning on or after 1 January 2019, but can be applied before that date if the Company also applies IFRS 15 Revenue from contracts with customers. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead all leases are treated in a similar way to finance leases applying IAS 17. Leases are 'capitalised' by recognising the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognises a financial liability representing its obligation to make future lease payments. IFRS 16 replaces the typical straight-line operating lease expense for those leases applying IAS 17 with a depreciation charge for lease assets (included within operating costs) and an interest expense on lease liabilities (included within finance costs).

Derivative financial instruments

Financial assets and liabilities are recognised on the Group's balance sheet when the Group becomes party to the contractual provision of the instrument. The Group uses derivative financial instruments to manage its exposure to foreign exchange risks. In accordance with its treasury policy, the Group does not hold or issue derivative financial instruments for trading purposes. Derivative financial instruments that are designated and effective as cash flow hedges, comprising interest rate swaps, are measured at fair value. The effective portion of changes in the fair value is recognised directly in reserves. Amounts accumulated in equity are recycled to the income statement in the periods when the hedged items will affect profit or loss. Any gains or losses relating to an ineffective portion is recognised in the income statement. If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, the hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognised in equity remains there until the forecast transaction occurs. Derivative financial instruments that do not qualify for hedge accounting are initially accounted for and measured at fair value at the point the derivative contract is entered into and subsequently measured at fair value. The gain or loss on remeasurement is taken to the income statement.

2. Critical accounting estimates and judgements and key sources of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

(a) Revenue and profit recognition
The estimation techniques used for revenue and profit recognition in respect of construction contracts require forecasts to be made of the outcome of long-term contracts which require assessments and judgements to be made on the recovery of pre-contract costs, changes in the scope of work, contract programmes, maintenance and defects liabilities and changes in costs.

(b) Valuation of land and work in progress
The key judgements and estimates in determining the net realisable value of land and work in progress are:

- an estimation of costs to complete; and
- an estimation of the remaining revenues.

These assessments include a degree of uncertainty and therefore if the key judgements and estimates change unfavourably, write-downs of land and work in progress may be necessary.

(c) Provisions
Provisions are liabilities of uncertain timing or amount and therefore in making a reliable estimate of the amount and timing of liabilities judgement is applied and re-evaluated at each reporting date.

(d) Recoverable value of recognised receivables
The recoverability of trade and other receivables is regularly reviewed in the light of available economic information specific to each receivable and provisions are recognised for balances considered to be irrecoverable.

(e) Goodwill
Determining whether goodwill is impaired requires an estimation of the value in use of CGUs to which the goodwill has been allocated. The value in use calculation requires an estimate to be made of the timing and amount of future cash flows expected to arise from the CGU and the application of a suitable discount rate in order to calculate the net present value. Cash flow forecasts for the next three years are based on the Group's budgets and forecasts. Other key inputs in assessing each CGU are revenue growth, operating margin and discount rate. The assumptions are set out in note 12 together with an assessment of the impact of reasonably possible sensitivities.

(f) Taxation
The Group is subject to tax in a number of jurisdictions and judgement is required in determining the overall provision for income taxes. The Group provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based on management's assessment of exposures. Deferred tax liabilities are generally provided for in full and deferred tax assets are recognised to the extent that it is judged probable that future taxable profit will arise against which the temporary differences will be utilised.

(g) Research and development
Included within administration expenses are research and development tax credits which are estimated based on qualifying spend incurred during the year.

3. Financial instruments

General
The Group has exposure to the following risks from its use of financial instruments:

- Market risk
- Interest rate risk
- Credit risk
- Capital risk
- Revenue & liquidity risks
- Foreign currency and exchange rate risk

The Board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established a Group Assurance function which is responsible for developing and monitoring the Group's risk management strategy and policies. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group and Company operate within financial risk policies and procedures approved by the Board. It is, and has been throughout the year, the Group's policy that no trading in financial instruments shall be undertaken. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Group's and Company's financial instruments principally comprise bank borrowings, cash and cash equivalents, receivables and payables, and foreign exchange forward contract and put options that arise directly from its operations and its acquisitions

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

(a) Market risk
The Group is exposed to land and property values via, in the main, their effect on demand for the Group's services. The potential impact on carrying amounts in the Group's statement of financial position is not material.

The Group is exposed to commodity and materials price risk in respect of contracts which require the Group to contract for the provision of materials some years prior to the date of supply. This risk is managed through purchasing policies and contract arrangements with major suppliers.

(b) Interest rate risk
The Group has no significant long term borrowings and there is little interest rate risk associated with its short term financing transactions. From time to time, some of the Group's cash resources are placed on short term fixed deposit of up to one year to take advantage of preferential rates. Otherwise cash resources are held in current floating rate accounts.

(c) Credit risk
The Group has no significant concentration of credit risk with exposure spread over a large number of counterparties and customers. It is Group policy to deposit short term cash investments with major institutions.

Based on historic default rates the Group policy is to record no impairment for amounts overdue up to three months as substantially all amounts have been recoverable in full, except in exceptional specific circumstances. Where amounts are overdue more than three months an allowance is made for credit losses, initially based on the specific circumstances of the customer and an estimate of the expected cash flows to be received based on past experience. If amounts are outstanding for longer periods the allowance is increased until over time the full amount outstanding is provided for.

Once it has been established that an amount will prove irrecoverable it is released from the credit allowance account and written-off against the balance of trade receivable.

(d) Capital risk management
The Board's policy is to maintain and develop a strong and flexible capital base in order to maintain investor and creditor confidence. Similar policies apply also to individual business segments so as to minimise demands for routine trading activities on finance obtained at Group level. This is seen as important for the sustenance of future developments in the business and the maintenance of flexibility of capital management strategies.

The Group is funded by ordinary shares, retained profits and has no external debt. The Group's and Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. The capital requirements of the Group's divisions differ, with property development typically requiring debt and construction and consultancy typically being cash generative, and the economic cycle of each business is also different. The Group manages its capital taking these differing requirements into account. On 23 March 2017 the Group issued a 3-5 year bond amounting to £100 million. The facility provides finance for the development business. The Bond is subject to covenants over interest cover, gearing (adjusted to take account of development land payables) and minimum consolidated tangible net assets. Interest is calculated by aggregating margin, LIBOR and relevant costs.

(e) Revenue risk
Income from three major clients in relation to our major construction projects amounted to 28% (2015: 22%) of total Group revenue during 2016.

(f) Liquidity risk
The Group seeks to manage liquidity risk to ensure sufficient liquidity is available to meet the requirements of the business and to invest cash assets safely and profitably. The Board reviews regularly available cash to ensure there are sufficient resources for working capital requirements.

(g) Foreign currency and exchange rate risks
Due to our geographical spread we are exposed to changes in national economic conditions, exchange rate fluctuations and local trading restrictions. However, we employ local people and suppliers and have established local operating companies in each of our global hubs so that exposure to exchange rate changes is limited and knowledge of the local business environment is strengthened.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. A ten per cent strengthening of sterling against the following currencies at 31 December 2016 would have decreased equity and profit or loss by the following amounts:

	31 December 2016 £000s		31 December 2015 £000s	
	Profit or loss	**Equity**	**Profit or loss**	**Equity**
Euro	**(1,232)**	**(45)**	(100)	(499)
USD	**(622)**	**(2,994)**	(918)	(2,404)

A ten per cent weakening of sterling against these currencies would have an opposite effect of equal amount. A common analysis basis has been applied for both 2016 and 2015. This analysis assumes that all other variables, particularly interest rates, remain unchanged. The sensitivity is regarded as being representative of the position throughout the year.

During the year ending 31 December 2016 the Group entered into a forward exchange contract maturing in May 2018 to buy €8,000,000 EUR at 1.2945. At the year end the rate was 1.1659. The group also entered into 8 options by which it contracted to buy EUR with maturity dates ranging from August 2016 to May 2018. The principal amount of the options were €3,000,000. The option features a barrier rate which was breached and therefore the group was required to exercise the options at rates of 1.305.

The derivatives are the only items in the group's balance sheet that are measured at fair value and the value is calculated as the present value of estimated cash flows based on observable yield curves corresponding to level 2 as defined in IFRS13.

Financial liabilities – derivative financial liabilities

The fair value of forex options and forward contracts are given below:

Group and Company

Current Liabilities	Year ended 31 December 2016 £000s
Fair value of forex gain on forward contract and options	**673**

Categorisation of other financial instruments and fair value of other financial assets and liabilities

	31 December 2016 £000s	31 December 2015 £000s
Financial liabilities		
Current borrowings	**4,882**	-
Current financial liabilities measured at amortised cost	**214,496**	217,229
Financial assets		
Loans and receivables	**291,120**	261,387
Cash and cash equivalents	**116,623**	122,765

Prepayments and accrued income are excluded from loans and receivables.

Statutory liabilities, deferred income and payments on account are excluded from financial liabilities measured at amortised cost.

There is no difference between the book value and fair value of other financial assets and liabilities. No maturity analysis is presented because all the group financial liabilities are repayable within one year.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

4. Segmental analysis

Revenue
An analysis of the Group's revenue is as follows:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Continuing operations:		
Construction	**1,670,897**	1,420,546
Consultancy	**228,671**	248,448
Facilities management	**49,479**	53,724
Developments	**16,801**	4,563
Total revenue	**1,965,848**	1,727,281

General
For management purposes the Group is currently organised into five operating hubs as shown in the table below. These divisions are the basis on which the Group reports primary segment information to the Board. Limited secondary information is presented for the operating segments of consultancy and other services, primarily for risk management purposes.

The Board assesses the performance of the hubs based on management accounts which reflect the allocation of cross charges, interest, depreciation and amortisation. The adjustments exclude the effects, if any, of non-recurring expenditure from the operating segments such as restructuring costs, legal expenses and goodwill impairments resulting from any isolated, non-recurring event.

2016	UK and Europe £000s	Middle East North Africa £000s	Asia £000s	Sub-Saharan Africa £000s	America £000s	Intercompany trading £000s	Total £000s
Segment revenue	2,066,664	79,761	13,822	2,905	10,604	(132,701)	**2,041,055**
Costs recharged to clients	(44,778)	-	-	-	-	-	**(44,778)**
Share of revenue of joint venture and associates	(30,429)	-	-	-	-	-	**(30,429)**
Total segment revenue	1,991,457	79,761	13,822	2,905	10,604	(132,701)	**1,965,848**
Cost of sales	(1,900,196)	(59,189)	(10,735)	(2,713)	(7,710)	132,701	**(1,847,842)**
Gross profit	91,261	20,572	3,087	192	2,894	-	**118,006**
Administrative expenses	(88,517)	(14,825)	(1,933)	(1,679)	(1,609)	-	**(108,563)**
Operating profit	2,744	5,747	1,154	(1,487)	1,285	-	**9,443**
Profit on disposal of an interest in a development asset	2,032	-	-	-	-	-	**2,032**
Other items	(905)	(534)	(120)	903	(86)	-	**(742)**
Profit before tax	3,871	5,213	1,034	(584)	1,199	-	**10,733**
Segment assets							
Non-current assets	36,883	5,129	13	2,321	89	-	**44,435**
Current assets	554,964	49,195	5,245	(1,154)	(557)	-	**607,693**
Current liabilities	(557,243)	(22,999)	(2,106)	(684)	(1,506)	-	**(584,538)**

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

4. Segmental analysis (contd.)

2015	UK and Europe £000s	Middle East North Africa £000s	Asia £000s	Sub-Saharan Africa £000s	America £000s	Intercompany trading £000s	Total £000s
Segment revenue	1,895,994	87,754	11,202	4,570	10,089	(198,265)	**1,811,344**
Costs recharged to clients	(39,403)						**(39,403)**
Share of revenue of joint venture and associates	(44,660)	-	-	-	-	-	**(44,660)**
Total segment revenue	1,811,931	87,754	11,202	4,570	10,089	(198,265)	**1,727,281**
Cost of sales	1,705,391	68,326	8,524	2,763	7,413	(198,265)	**1,594,152**
Gross profit	106,540	19,428	2,678	1,807	2,676	-	**133,129**
Administrative expenses	(97,575)	(11,628)	(1,354)	(1,804)	(1,651)	-	**(114,012)**
Operating profit	8,965	7,800	1,324	3	1,025	-	**19,117**
Profit on sales of interests in joint ventures and associates	897	-	-	-	-		**897**
Profit on disposal of an interest in a development asset	17,641	-	-	-	-	-	**17,641**
Other items	(1,110)	(188)	(3)	-	(142)	-	**(1,443)**
Profit before tax	26,393	7,612	1,321	3	883	-	**36,212**
Segment assets							
Non-current assets	39,848	4,685	14	956	119	-	**45,622**
Current assets	490,333	38,643	3,535	462	(1,561)	-	**531,412**
Current liabilities	488,225	18,004	1,223	248	1,398	-	**509,098**

Assets and liabilities are presented in a manner consistent with that of the financial statements.

Inter-segment sales are carried out at open market rates.

Income from three major clients in relation to our major construction projects amounted to 28% (2015: 22%) of total Group revenue during 2016.

Costs recharged to clients relates to our Facilities Management business. Adjusted 2016 Facilities Management Revenue is £94,257k (2015: £93,127k).

Facilities Management Revenue	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Revenue	**49,479**	53,724
Costs recharged to clients	**44,778**	39,403
Total facilities management revenue	**94,257**	93,127

5. Operating Profit & EBITDA

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
The operating profit is stated after charging:		
Foreign exchange losses	**1,011**	1,398
Depreciation of tangible fixed assets	**5,538**	5,258
Loss/(profit) on disposal of fixed assets	**118**	(69)
Research and development costs	**42,000**	40,000
Operating lease rentals:		
Motor vehicles	**93**	196
Land and buildings	**2,613**	3,816
Profit on ordinary activities before interest	**12,462**	37,665
Depreciation of tangible fixed assets	**5,538**	5,258
EBITDA	**18,000**	42,913

Services provided by the Company's auditors and its associates

During the year the Group (including its overseas subsidiaries) obtained the following services from the Company's auditors and its associates:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Fees payable to the Company's auditor for the audit of the parent company and consolidated accounts	**62**	60
UK	**121**	117
Overseas	**29**	65
	212	242
Other fees		
Fees payable to affiliated auditors	**9**	-
Other services pursuant to legislation	**58**	11
Tax services	**76**	185
	355	438

6. Interest

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Bank and other interest receivable	**1,120**	273
Interest on loans for development projects and other purposes	**(2,850)**	(1,716)
	(1,730)	(1,443)

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

7. Directors' remuneration

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Remuneration for management services (including benefits)	**995**	887
Performance related remuneration	**225**	245
Pension contributions	**98**	92
	1,318	1,224

Pension's contributions were made in respect of 3 directors (2015: 5).

Directors' remuneration includes the following amounts in respect of the highest paid director of Mace Limited:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Remuneration for management services (including benefits)	**464**	283
Pension contributions	**22**	31
	486	314

All key management are directors of the Company.

8. Staff costs and numbers

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Staff costs were as follows:		
Aggregate gross wages and salaries	**290,229**	287,445
Employer's social security costs	**26,401**	24,474
Other pension costs	**17,698**	17,247
	334,328	329,166

Average monthly number of persons employed by the Group during the year:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Corporate support services	**313**	304
Project delivery staff	**4,118**	4,097
	4,431	4,401
The total number of direct employees as at the reporting date was:	**4,494**	4,446

9. Post Balance Sheet Events

On 23rd March 2017 Frontier Finance Limited, a wholly owned and public subsidiary company of Mace Limited, issued a bond in the sum of £100m which was purchased by an Institutional investor. The bond is repayable within 3 to 5 years and bears a commercial fixed rate of interest. These funds are to be used to support Mace's growing development business.

10. Tax on profit on ordinary activities

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
(a) Analysis of charge in year		
UK corporation tax at 20% (2015: 20.25%)	**(1,532)**	5,926
Group relief payment	**1,083**	(487)
Share of joint ventures and associates tax charge	**-**	138
Adjustments in respect of previous years	**(1)**	648
Overseas taxation	**5,401**	2,206
Deferred tax	**(1,176)**	(86)
Total current tax (note 10(b))	**3,775**	8,345
(b) Factors affecting tax credit for year		
The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 20% (2015: 20.25%). The differences are explained below:		
Profit on ordinary activities before tax	**10,732**	36,212
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	**2,147**	7,332
Effects of:		
Expenses not deductible for tax purposes	**805**	975
Temporary differences not recognised in deferred tax	**38**	55
Utilisation of tax losses	**(24)**	43
Non-taxable foreign branch income	**(18)**	(28)
RDEC credits	**(139)**	(400)
Different rates of tax on overseas earnings	**795**	(336)
Impact of deferred tax rate movements	**61**	55
Adjustments to tax charge in respect of previous years	**110**	282
Adjustment to tax charge in respect of previous years – overseas taxation	**-**	367
Current tax charge for the year (note 10(a))	**3,775**	8,345

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

As a consequence of the disclaiming of capital allowances and the losses carried forward, there is a significant increase in the deferred tax asset.

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Deferred Tax		
Opening Deferred tax asset	**465**	380
Deferred Tax income for year	**1,175**	85
Closing Deferred tax asset	**1,640**	465
Analysed as:		
Fixed asset temporary differences	**927**	197
Short-term temporary differences	**276**	268
Loss carried forward	**437**	-
	1,640	465

11. Tangible non-current assets

Group	Freehold property £000s	Leasehold improvements £000s	Computer equipment £000s	Plant, motor, vehicles & equipment £000s	Total £000s
Cost					
At 1 January 2015	1,958	11,411	21,755	1,497	**36,621**
Exchange differences	102	13	95	(9)	**201**
Additions	-	469	4,111	199	**4,779**
Disposals	-	-	(87)	(141)	**(228)**
At 31 December 2015	2,060	11,893	25,874	1,546	**41,373**
Exchange differences	421	78	411	159	**1,069**
Additions	-	455	4,338	140	**4,933**
Disposals	-	(96)	(9,131)	(242)	**(9,469)**
At 31 December 2016	2,481	12,330	21,492	1,603	**37,906**
Depreciation					
At 1 January 2015	124	1,893	11,792	773	**14,582**
Exchange differences	8	-	96	20	**124**
Charge for the year	42	781	4,266	169	**5,258**
Disposals	-	-	(86)	(111)	**(197)**
At 31 December 2015	174	2,674	16,068	851	**19,767**
Exchange difference	40	31	289	157	**517**
Charge for the year	48	789	4,571	130	**5,538**
Disposals	-	(30)	(9,130)	(141)	**(9,301)**
At 31 December 2016	262	3,464	11,798	997	**16,521**
Net book value					
At 31 December 2016	**2,219**	**8,866**	**9,694**	**606**	**21,385**
At 31 December 2015	1,886	9,219	9,806	695	21,606

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

11. Tangible non-current assets (contd.)

Company	Leasehold improvements £000s	Computer equipment £000s	Plant, motor, vehicles & equipment £000s	Total £000s
Cost				
At 1 January 2015	10,181	16,026	247	**26,454**
Additions	375	3,472	17	**3,864**
At 31 December 2015	10,556	19,498	264	**30,318**
Additions	328	4,075	18	**4,421**
Disposal	-	(9,053)	(42)	**(9,095)**
At 31 December 2016	10,884	14,520	240	**25,644**
Depreciation				
At 1 January 2015	1,398	8,655	117	**10,170**
Charge for the year	579	3,264	27	**3,870**
At 31 December 2015	1,977	11,919	144	**14,040**
Charge for the year	598	3,785	35	**4,418**
Disposal	-	(9,053)	(43)	**(9,096)**
At 31 December 2016	2,575	6,651	136	**9,362**
Net book value				
At 31 December 2016	**8,309**	**7,869**	**104**	**16,282**
At 31 December 2015	8,579	7,579	120	16,278

12. Intangible assets

Group	Goodwill 2016 £000s
Cost	
At 1 January 2015	13,606
At 31 December 2015	13,606
At 31 December 2016	**13,606**

Impairment

Goodwill on consolidation represent the excess of cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiaries at the date of acquisition. The carrying amount of intangible assets, being the fair value of the contractual relationships, is allocated to the CGUs as follows:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Mace Macro Limited, engaged in facilities management		
Goodwill	**4,265**	4,265
Como Group Limited, engaged in specialised project work		
Goodwill	**3,343**	3,343
Mace Cost Consultancy Limited, engaged in cost consultancy		
Goodwill	**5,998**	5,998
The major assumption used in value in use calculations is as follows:		
Pre-tax discount rate	**8%**	8%

The directors estimate discount rates using pre-tax rates that reflect current market assessment of the time value of money and the risk specific to the CGU. The pre-tax discount rate is based on a number of factors including the risk free rate in the UK and the inherent risk of the forecast income streams included in the Group's cash flow projections.

The value in use cash flows are based upon management approved forecasts for a period of five years ended 31 December 2021. These forecasts were prepared for a commercial purpose and rely on specific assumptions and projections on a project by project basis using management's detailed knowledge and expectations of the outcome of each project.

No account has been taken of cash flows forecast after 2021.

The results of the value in use calculations for each CGU shows they all exceeds their carrying amount in both the current and prior years.

A sensitivity has been applied in each case where forecast income is reduced by 20% in each of the forecast years.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

13. Joint ventures and associates

Movement in interests in joint ventures can be summarised as follows:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Share of net assets brought forward	**592**	37
Share of post-acquisition profit after tax	**731**	759
Additions	**647**	-
Adjustment	**790**	-
Distributions from joint ventures	**(565)**	(204)
Share of net assets carried forward	**2,195**	592

The following represents the total results of joint venture and associate tangible fixed assets, current assets and creditors due within one year:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Non-current	**648**	433
Current assets	**50,959**	35,317
Cash and cash equivalents	**16,414**	20,113
Total	**68,021**	55,863
Revenue	**67,517**	81,934
Expenses	**(62,442)**	(76,795)
Interest expense	**(910)**	(1,368)
Income tax	**(1,115)**	(593)
Profit for the year	**3,050**	3,178

Joint ventures and associates are listed in note 27.

14. Profit attributable to members of the parent company

A separate profit and loss account for the Company is not presented as permitted by section 408 of the Companies Act 2006. The profit after taxation of the Company was £19.0m (2015: £18.9m).

15. Investments

	Joint ventures & associates £000s	Other investments £000s	Subsidiaries £000s	Total £000s
Group				
Cost less provisions				
At 1 January 2015	37	20,893	-	**20,930**
Additions	-	23,925	-	**23,925**
Disposals	-	(35,000)	-	**(35,000)**
Share of results	759	-	-	**759**
Transfer to current assets	(204)	-	-	**(204)**
At 31 December 2015	592	9,818	-	**10,410**
Additions	647	-	-	**647**
Adjustment	790	-	-	**790**
Share of results	731	-	-	**731**
Distribution from joint ventures	(565)	-	-	**(565)**
At 31 December 2016	**2,195**	**9,818**	**-**	**12,013**
Company				
Cost				
At 1 January 2015	7	21,567	10,704	32,278
Additions	-	23,925	-	23,925
Current asset investment	-	(35,000)	-	(35,000)
At 31 December 2015	7	10,492	10,704	21,203
Additions	-	-	-	-
Current asset investment	-	-	-	-
At 31 December 2016	7	10,492	10,704	21,203
Provision				
At 1 January 2015	-	527	2,883	3,410
Provision in year	-	-	-	-
At 31 December 2015	-	527	2,883	3,410
Provision in year	-	-	-	-
At 31 December 2016	-	527	2,883	3,410
Net book value				
At 31 December 2016	**7**	**9,965**	**7,821**	**17,793**
At 31 December 2015	7	9,965	7,821	17,793

Details of the Group's investments are shown in note 27 of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

16. Trade and other receivables

	Group		Company	
	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s	**Year ended 31 December 2016 £000s**	Year ended 31 December 2015 £000s
Trade debtors	**121,177**	129,687	**65,162**	80,867
Amounts recoverable on contracts	**89,306**	58,959	**57,299**	48,098
Amounts owed by ultimate parent company	**23,773**	7,035	**23,772**	6,499
Amounts owed by immediate parent company	**41,918**	41,507	**41,130**	41,507
Amounts owed by subsidiary undertakings	**-**	-	**-**	44,649
Amounts owed by joint ventures and associates	**256**	256	**256**	256
Development loans	**1,502**	1,500	**1,502**	11,063
Taxation and social security receivable	**438**	8,049	**-**	-
Deferred tax	**1,640**	465	**1,640**	465
Other debtors	**11,110**	13,929	**6,887**	7,531
Prepayments and accrued income	**141,527**	98,869	**79,745**	64,934
	432,647	360,256	**277,393**	305,869

Debtors past and overdue

	Group		Company	
	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s	**Year ended 31 December 2016 £000s**	Year ended 31 December 2015 £000s
Trade receivables not due	**88,999**	100,237	**53,993**	71,476
Trade receivables past due 1–30 days	**20,368**	14,363	**7,749**	5,903
Trade receivables past due 31–60 days	**5,932**	6,281	**2,090**	1,841
Trade receivables past due 61–90 days	**4,166**	4,476	**1,146**	1,226
Trade receivables past due over 90 days	**1,712**	4,330	**184**	421
Gross trade receivables	**121,177**	129,687	**65,162**	80,867
Bad debt provision	**5,410**	6,650	**940**	940

Amounts owed by ultimate and immediate parent companies are due after one year and interest is being charged on intercompany loans at 2% above Libor.

Development loans represent investment in development projects made to secure construction turnover, together with development returns. The amounts outstanding relates to projects which are substantially complete and awaiting development returns. The loans are repayable upon successful completion of the projects.

17. Current asset investment

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Current asset investment	**35,000**	35,000

On 3 January 2014 Mace Limited subscribed for the preferred share capital in Mace Capital Limited which is a special purpose vehicle created as part of the acquisition of shares in Mace Group Limited. The value of the said share subscription was £55.8m, of which £20.8m was reported in fixed assets in 2015 and the balance as a current asset. In 2015 the current portion was redeemed and a further £23.9m of preferred shares were subscribed for. At 31 December 2015 £35m of the balance was reported as a current asset as the Company expected this amount to be redeemed during 2016. No redemption took place in 2016. At year end £35m of the balance was reported as a current asset as the Company expected this amount to be redeemed during 2017.

18. Profit on disposal of interests in a development assets

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Profit on disposal	**2,032**	17,641

The 2016 profit mainly related to the disposal on 26 August 2016 of the Group's interest in Candleriggs Limited, a special purpose vehicle formed for the development of Candleriggs Quarter, a residential led mixed used scheme in Glasgow.

19. Current liabilities

	Group		Company	
	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s	**Year ended 31 December 2016 £000s**	Year ended 31 December 2015 £000s
Trade payables	**207,098**	173,995	**132,483**	119,688
Amounts owed to ultimate parent company	**1,401**	705	**-**	-
Amounts owed to subsidiary undertakings	**-**	-	**169**	11,474
Bank Loans	**4,882**	-	**-**	-
Taxation and social security payable	**37,161**	43,337	**15,932**	26,292
Other creditors	**6,670**	3,529	**413**	10,393
Accruals and deferred income	**329,895**	287,532	**210,393**	210,752
	587,107	509,098	**359,390**	378,599

The bank loans were repaid in April 2017. They had been subject to an interest charge of 5% + 3 month LIBOR and were secured by a parent company guarantee.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

20. Non-current liabilities

	Group		Company	
	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s	**Year ended 31 December 2016 £000s**	Year ended 31 December 2015 £000s
Payments received on account	**6,353**	1,667	**6,354**	1,653
	6,353	1,667	**6,354**	1,653

21. Share capital – Group and Company

	Number of shares	Ordinary shares £000s
Ordinary Shares at 100p each	**997,281**	**997**
A ordinary shares at 1p each	**348,000**	**3**
At 31 December 2015 and 2016	**1,345,281**	**1,000**

The A Ordinary shares have no voting rights and do not participate in profits. Subject to a veto right of Ordinary shareholders the Board may pay a dividend on these shares.

During 2015 the Company issued new share capital at a premium in order to provide cash to its parent undertaking for Group capital purposes. Immediately thereafter the share capital was reduced in accordance with the procedure laid down in Chapter 10 of the Companies Act 2006.

22. Notes to the cash flow statement

Reconciliation of operating activities to operating cash flows

Statement of cash flows	**Year ended 31 December 2016 £000s**	Year ended 31 December 2015 £000s
Cash flows from operating activities		
Profit before finance costs	**12,462**	37,655
Adjustments for:		
Loss/(Profit) on disposal of fixed assets	**118**	(69)
Profit on disposal of Investments	**(2,032)**	-
Share of post-tax profits of joint ventures	**(731)**	(758)
Depreciation	**5,538**	5,258
Foreign exchange – retranslation	**3,876**	(2,773)
Cash flows before changes in working capital	**19,231**	39,313
Working capital changes:		
Increase in trade and other receivables	**(72,391)**	(9,116)
(Increase) /Decrease in inventories	**(10,032)**	800
Increase in trade payables	**76,193**	39,045
(Decrease) /Increase in working capital	**(6,230)**	30,729
Income taxes paid	**(4,671)**	(7,645)
Net Finance Costs	**(1,730)**	(1,443)
Net cash from operating activities	**6,600**	60,954

Company **Reconciliation of operating activities to operating cash flows** **Statement of cash flows**	**Year ended 31 December 2016 £000s**	Year ended 31 December 2015 £000s
Cash flows from operating activities		
Profit before taxation	**8,066**	21,729
Adjustments for:		
Depreciation	**4,418**	3,870
Dividends received from subsidiary undertakings	**(20,448)**	(9,550)
Cash flows before changes in working capital	**(7,964)**	16,049
Working capital changes:		
Increase in trade and other receivables	**28,476**	(27,172)
Decrease / (increase) in inventories	**(161)**	358
Increase in trade payables	**(10,436)**	28,179
Increase in working capital	**17,879**	1,365
Income taxes paid	**(1,495)**	(1,651)
Net finance costs	**(1,740)**	(162)
Net cash from operating activities	**6,680**	15,601

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

23. Contingent liabilities

The Company is party to a Group liability arrangement with its principal bankers providing a right of set-off of all Group balances. Whilst certain Group companies have overdrawn balances, at 31 December 2016 there was no net Group indebtedness to its bankers and therefore the directors consider that no contingency arises.

24. Related party transactions

Company	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Transactions between the company and its subsidiaries		
Trading transactions		
Sales	**37,754**	43,544
Purchases	**133,099**	207,392
Non-trading transactions		
Dividends	**18,317**	25,695
Interest (payable)/receivable	**(513)**	182

Balances between Mace Limited and its subsidiaries can be found in note 16 & 19.

Loans from directors

On 1 July 2016 the Company borrowed £7,006,413 from Tranche Limited, a company owned by Stephen Pycroft, £3,403,027 from Mark Reynolds and £6,462,982 from Mark Holmes at commercial rates for working capital purposes. These loans were all short term and were repaid on 1 October 2016.

25. Ultimate parent undertaking

The Company is a wholly owned subsidiary of Mace Group Limited and its ultimate parent is Mace Finance Limited. Both companies are incorporated in England and Wales.

26. Future commitments

At 31 December 2016 the Group had commitments under non-cancellable operating leases as set out below:

	Year ended 31 December 2016 £000s	Year ended 31 December 2015 £000s
Land and buildings		
Leases expiring:		
Within one year	**3,104**	3,291
Between two and five years	**11,975**	12,943
After five years	**14,555**	16,956
	29,634	33,190
Other		
Leases expiring:		
Within one year	**44**	192
Between two and five years	**5**	143
	49	335

The Group has no capital commitments.

27. List of joint ventures and associate undertakings

The following is a list of joint ventures and associate entities of the Group:

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace Engenharia E Servicos Ltda	Angola	23	Project management
Mace – Consultoria Em Projetos E Construcao Ltda	Brazil	49	Project management
AMA Nuclear Limited[1]	England & Wales	33	Project management
Botley DevManCo Limited	England & Wales	50	Property development
CLM Delivery Partner Limited	England & Wales	25	2012 Olympic delivery partner
Commercial Road Development Management Limited	England & Wales	50	Property development
Hadley Mace Holdings Limited	England & Wales	50	Property development
MPD Trinity LLP	England & Wales	33	Property development
New Burlington Developments Limited	England & Wales	50	Construction delivery
The Botley Development Company Limited	England & Wales	50	Property development
Mace – Gestao de Projectos e Construcao. Lda	Mozambique	35	Project management
D.C.G.P. – Gestão de Projectos, Unipessoal, Lda	Portugal	49	Project management
Mace LDA	Portugal	49	Project management
MMQSMace Consultancy (Pty) Limited	South Africa	49	Project management
MMQS Mace (Pty) Limited	South Africa	49	Project management

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)
YEAR ENDED 31 DECEMBER 2016

28 – List of subsidiary undertakings
The following is a list of the direct and indirect subsidiary entities of the Group.

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace Australia Proprietary Limited Level 5, 1 Chifley Square Sydney NSW 2000 Australia	Australia	100	Project management
Mace Limited Liability Company Tolbuhina 2-313, Premise 10a Minsk 220012 Belarus	Belarus	100	Project management
Mace Macro Brazil Consultoria Em Projetos E Construcao Ltda Avenida Nações Unidas, 6917 Pinheiros São Paulo CEP: 05477-000 Brasil	Brazil	100	Facilities management
Mace Management Services Sdn Bhd Unit 8 & 9, 1st Floor, Regent Square Kiulap, Simpang 150 Bandar Seri Begawan BE 1318 Brunei Darussalam	Brunei Darussalam	100	Project management
Mace (China) Limited 3606 Ciro's Plaza, 388 West Nanjing Road Shanghai 20003 China	China	100	Project management
Mace Zagreb d.o.o. Petrinjska 42 a Zagreb 10000 Croatia	Croatia	100	Project management
Callomin Property Solutions Limited 59–61 Acropolis, 3rd floor, Flat 301 Nicosia 2012 Cyprus	Cyprus	100	Project management
Mace Holdings Limited 59–61 Acropolis, 3rd floor, Flat 301 Nicosia 2012 Cyprus	Cyprus	100	Holding company
Mace International Limited 59–61 Acropolis Savvides Court 3rd floor Nicosia 2012 Cyprus	Cyprus	100	Project management
Mace Macro International Limited 59–61 Acropolis, 3rd floor, Flat 301 Nicosia 2012 Cyprus	Cyprus	100	Facilities management
Mace Technology Denmark ApS C/O Harbour House, Sundkrogsgade 21 2100 Copenhagen Denmark	Denmark	100	Construction delivery and project management
Mace Egypt for Project Management L.L.C. 10 Al-Obour Buildings Cairo Egypt	Egypt	100	Project management
Cambridge Heath Road Developments Limited*	England & Wales	70	Property development
Como Construction Limited*	England & Wales	100	Dormant
Como Group Limited*	England & Wales	100	Holding company
Como Homes Limited*	England & Wales	100	Dormant
Como Interiors Limited*	England & Wales	100	Fit out
Court Orchard Limited*	England & Wales	100	Property development
Engage Selection Limited*	England & Wales	100	Dormant
FM24 Limited*	England & Wales	100	Facilities management
Graduation (Cardiff) Limited*	England & Wales	100	Development
Graduation (Exeter) Limited*	England & Wales	100	Development
Graduation (Hoyle St) Limited*	England & Wales	100	Development
Mace Macro Europe Limited*	England & Wales	100	Facilities management
Mace Macro Limited*	England & Wales	100	Facilities management
Mace Plus Academies Limited*	England & Wales	100	Construction delivery
Mace Plus Group Limited*	England & Wales	100	Construction delivery
Mace Plus Limited*	England & Wales	100	Construction delivery
Mace Projects (South Africa) Limited*	England & Wales	100	Project management
Mace Sustain Limited*	England & Wales	100	[Dormant]
Msecure Limited*	England & Wales	100	Project management
Observatory Inspiration Limited*	England & Wales	100	Property development
The People Group Limited*	England & Wales	100	Recruitment consultancy

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace Projets Sarl 6 Place de la Madeleine 75008 Paris France	France	100	Project management
Mace GmbH Hamburger Allee 45 60486 Frankfurt Germany	Germany	100	Project management
Mace Management Services Limited Kwakkranya Street Accra 1359 Ghana	Ghana	100	Project management
Mace Limited Room 1101 11/F, East Town Building 41 Lockhart Road Wanchai Hong Kong	Hong Kong	100	Project management
Mace Project & Cost Management Private Company Limited 7th Floor, 703, Vatika City Point, MG Road Gurgaon Haryana India 122002	India	100	Project management
Mace Consultancy (Ireland) Limited 5th Floor, Beaux Lane House Lower Mercer Street Dublin 2 Ireland	Ireland	100	Project management
Mace Macro (Ireland) Limited 5th Floor, Beaux Lane House Lower Mercer Street Dublin 2 Ireland	Ireland	100	Facilities management
Mace Technology (Ireland) Limited 5th Floor, Beaux Lane House Lower Mercer Street Dublin 2 Ireland	Ireland	100	Construction delivery and project management
Cambridge Heath Road Developments (Jersey) Limited 44 Esplanade St Helier JE4 9WG Jersey	Jersey	70	Property development

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace Developments (Cambridge) Limited 44 Esplanade St Helier JE4 9WG Jersey	Jersey	100	Property development
Graduation Cardiff (Jersey) Limited 44 Esplanade St Helier JE4 9WG Jersey	Jersey	100	Property development
Graduation Exeter (Jersey) Limited 44 Esplanade St Helier JE4 9WG Jersey	Jersey	100	Property development
Graduation Hoyle St (Jersey) Limited 44 Esplanade St Helier JE4 9WG Jersey	Jersey	100	Property development
Mace Macro International Investments Limited – Jordan 720 Level 7, Waha Ammoun Building Gardens Street Amman 45662 Jordan	Jordan	100	Facilities management
Mace Management Services LLP 78, Baitursynuly Street, Apartment 38 Almalinskiy District 050022 Almaty Kazakhstan	Kazakhstan	100	Project management
Mace Management Service Limited 12th Floor DCDM Offices Pension Towers Loita Street Nairobi P.BOX 10032-0100 Kenya	Kenya	100	Project management
Mace Macro Luxembourg S.à r.l. 50 Esplanade Diekirch L-9227 Luxembourg	Luxembourg	100	Facilities management
Mace Limitada Alameda Dr. Carlos d'Assumpcao, no. 263 China Civil Plaza 6o. andar M e N Macao	Macau	100	Project management

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace International Dooel Skopje Bulevar Partizanski odredi, Br. 15A Skopje 1000 Macedonia	Macedonia	100	Project management
Mace Management Services Co Limited Corniche Bay La Gaulette 1903-02 Mauritius	Mauritius	100	Dormant
Mace d.o.o. Podgorica Ulica Seika Zaida 13/1 Podgorica Montenegro	Montenegro	100	Project management
Mace Management Services, SARL 106, Rue Abderrahman Sehraoui Casablanca 20070 Morocco	Morocco	100	Project management
Mace Management Services B.V. Zuidplein 116, Tower H, Level 14 1077XV Amsterdam Netherlands	Netherlands	100	Construction delivery
Utremace B.V. Fellenoord 39 5612AA 5600AM Eindhoven Netherlands	Netherlands	100	Holding company
Mace Management Services Limited 1c Etim Inyang Crescent Victoria Island Nigeria	Nigeria	99	Project management
Mace Macro Pakistan (Pvt) Limited 4th Floor, Central Hotel Building Civil Lines Mereweather Road Karachi Pakistan	Pakistan	100	Facilities management
Mace Polska Spolka zoo Atrium Plaza Building Al. Jana Pawla II 29 00-867 Warszawa Poland	Poland	100	Project management
Mace Management Services Limited Umujyi wa Kigali Gasabo, Kacyiru Rwanda	Rwanda	100	Dormant

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace d.o.o. Association for consulting, engineering, production, construction, trading and services, Belgrade 3, Heroja Milana Tepica Belgrade 11000 Serbia	Serbia	100	Project management
Mace Pte. Ltd 80 Robinson Road, No. 02-00 Singapore 068898 Singapore	Singapore	100	Project management
Mace Management Services (Pty) Limited 12 Wessel Road, Rivonia Gauteng 2128 South Africa	South Africa	100	Project management
Mace Management Services S.A Paseo de la Castellana 135 Edificio Cuzco III Planta 3 28046 Madrid Spain	Spain	100	Project management
Macro Qatar LLC Office No.3, 3rd Floor, Building No. 7 Al Hitmi Village C Ring Road Doha P.O.BOX 31237 Qatar	State of Qatar	49	Facilities management
Management and Excellence Consultancy (Qatar) Limited 2nd Floor, Office 204 Building 63, Al Matar Street 310 Zone 27 Doha Qatar	State of Qatar	49	Project management
Mace Holdings Limited Office No. 405 3rd Floor Al Moosa Residential Complex Alolaya Alaam Road Riyadh Saudi Arabia	Saudi Arabia	49	Project management

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

Company	Country of registration/ incorporation	Voting rights	Nature of business
Mace Macro Saudi Arabia Limited Madd Tatweer, Olaya Main Street, 6th Floor – Office 602, Lulu Tower, PO Box 301550, Riyadh 11372, KSA	Saudi Arabia	49	Facilities management
Macro Saudi Arabia Limited Arafat St, Al-Hamra'a, Jeddah 21424, KSA	Saudi Arabia	49	[Dormant/Facilities management]
Mace GmbH c/o Urs Schneebeli Scheideggstrasse 66 8038 Zurich Switzerland	Switzerland	100	Dormant
Mace Management Services AG C/O IWP Consulting GmbH Steinenring 8 4051 Basel Switzerland	Switzerland	100	Project management
Mace Syria LLC No registered office	Syria	100	Dormant
Mace Projects Sarl 5 Rue de Chypre Mutuelleville Tunisi 1002 Tunisia	Tunisia	100	Dormant
Mace Construction Management and Consultancy Services Limited Maçka Cad.Tuncer Building, No:29 D.13 Maçka Şişli Istanbul Turkey	Turkey	100	Project management
Mace Macro International Investments Limited Bin Shabib & Associates (BSA) LLC DIFC Building 3, 6th floor P.O. Box 262 Dubai United Arab Emirates	UAE	100	Project management
Mace Macro Owners Association Management Co Office 28, Level 3 Oasis Centre Sheikh Zayed Road Dubai P.O. BOX 192046 United Arab Emirates	UAE	65	Facilities management
Mace Macro Technical Services LLC Warehouse 4, Plot 365-153 Al Qouz Dubai United Arab Emirates	UAE	100	Project management
Mace North America Limited 3500 Lenox Road Suite 1500 Atlanta GA 30326 United States of America	USA	100	Project management
Mace Vietnam Company Limited Floor 13, BIDV Tower, No. 194, Tran Quang Khai Street Ly Thai To Ward Hanoi City Hoan Kiem District Vietnam	Vietnam	100	Project management

* Companies are registered at head office address in the UK: 155 Moorgate, London, EC2M 6XB

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

YEAR ENDED 31 DECEMBER 2016

The Company has guaranteed the liabilities of the following subsidiaries exempt from audit under section 479A of the Companies Act 2006.

The company names and registered numbers (CRN) are below:

Cambridge Heath Road Developments Limited
(CRN: 8692442)

Como Construction Limited
(CRN: 4643980)

Como Group Limited
(CRN: 4643572)

Como Homes Limited
(CRN: 4969652)

Court Orchard Limited
(CRN:7841736)

Engage Selection Limited
(CRN: 5121839)

FM24 Limited
(CRN: 3773320

Graduation (Hoyle Street) Limited
(CRN: 8240550)

Graduation Student Living Limited
(CRN: 7773718)

Greenwich Square Commercial Limited
(CRN: 8136122)

Luxborough Street Properties Limited
(CRN: 8933765)

Mace (New Zealand) Limited
(CRN: 9653353)

Mace (Poland) Limited
(CRN: 8120932)

Mace (Russia) Limited
(CRN: 8127292)

Mace (Slovakia) Limited
(CRN: 8950843)

Mace Business School Limited
(CRN: 5601050)

Mace Construction (International) Limited
(CRN: 9887082)

Mace Cost Consultancy Limited
(CRN: 5032803)

Mace Developments Limited
(CRN: 3471116)

Mace Developments (Cardiff) Limited
(CRN: 9846987)

Mace Developments (Greenwich) Limited
(CRN: 6987720)

Mace International Overseas Limited
(CRN: 7463976)

Mace Living Limited
(CRN: 5156449)

Mace Macro (Asia Pacific) Limited
(CRN: 7407865)

Mace Macro (The Americas) Limited
(CRN: 6910338)

Mace Macro Europe Limited
(CRN: 6897543)

Mace MEP Services Limited
(CRN: 5726148)

Mace Plus Academies Limited
(CRN: 5897947)

Mace Plus Group Limited
(CRN: 5349265)

Mace Plus Limited
(CRN: 5282952)

Mace Projects (South Africa) Limited
(CRN: 9623284)

Mace Sustain Limited
(CRN: 5979486)

MSecure Limited
(CRN: 5072221)

Observatory Inspiration Limited
(CRN: 7841836

The People Group Limited
(CRN: 5121869)

Mace
155 Moorgate
London EC2M 6XB
+44 (0)20 3522 3000

www.macegroup.com
info@macegroup.com