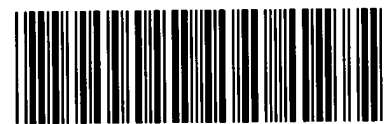

Registered number: 01458850

BH GEOENVIRONMENTAL LIMITED

DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020

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BH GEOENVIRONMENTAL LIMITED

REPORT AND FINANCIAL STATEMENTS

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BH GEOENVIRONMENTAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTOR	A J Harbinson
COMPANY SECRETARY	D Conway
COMPANY NUMBER	01458850
REGISTERED OFFICE	Camden Mill Lower Bristol Road Bath Somerset BA2 3DQ
AUDITOR	BDO LLP 55 Baker Street London W1U 7EU

BH GEOENVIRONMENTAL LIMITED

DIRECTOR'S REPORT

Year ended 30 April 2020

The director presents the report and the financial statements for the year ended 30 April 2020.

PRINCIPAL ACTIVITY

The principal activity of the company is that of consulting engineers providing professional design and advisory services to the property and construction sectors.

REVIEW OF BUSINESS

The company has not taken on any new projects during the year but continues to provide consultancy services on existing long-term projects, reporting a profit for the year of £9,000 (2019: £nil). The company's key performance indicator is profitability, generating a profit margin of 33% compared to a break-even result in the prior year.

PRINCIPAL RISKS AND UNCERTAINTIES AND MATTERS OF STRATEGIC IMPORTANCE

Competition – We exist in a competitive market with a high risk of commoditisation. Our continual investment in technology, thought leadership and our appetite for challenging projects allows the company to retain its competitive advantage. Our agility allows us to rapidly move work and people globally to support these ambitions.

Litigation – The risk of litigation arising from failure or negligence in the acceptance, contracting for or performance of client work is mitigated through established policies on contract acceptance, rigorous technical and commercial review, training and a suitable level of PI insurance.

COVID-19 - The outbreak of covid-19 is now a present risk creating significant economic uncertainty. A downturn in general economic conditions across the globe could result in declining business volumes, difficulties in producing accurate forecasts and/or failure to meet the company's objectives. Improving economic conditions, particularly wage increases, could also create pressure on margins where these cannot be fully passed onto clients. To mitigate this the company has a well-developed plan to manage resource, costs and cash flow. This is regularly reviewed and updated to quickly react to the changing social and economic climate.

DIRECTOR

The director who served during the year, and up to the date of this report, was:

A J Harbinson

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

Qualifying third party indemnity provision is in place for the benefit of the director of the company.

DIRECTOR'S REPORT (continued)

Year ended 30 April 2020

RESULTS AND DIVIDENDS FOR THE YEAR

The result for the year, after taxation, amounted to £9,000 (2019: £nil). The director does not recommend payment of a final dividend (2019: £nil).

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company is exposed to a number of financial risks including credit risk and management of working capital.

Credit risk – The risk of clients being unable to pay for work performed by the company has the potential to impact the performance of the company. The risk is mitigated via appropriate credit checks being made on potential clients before work commences on projects, securing advance payments and the use of project insurance.

Management of projects – A key focus of the company is the management of our projects. There are risks associated with all aspects of our project life cycle, from bidding and project management through to technical delivery and financial control. The physical, political and economic factors that occur in the environments in which we operate are also considered when assessing risks. Inadequate project management could lead to financial loss, contractual disputes and possible litigation. To mitigate this the company has invested in a simple to use, universal system for planning, managing and delivering projects. Extensive project management training is provided to ensure appropriately skilled staff are used on projects. Technical project reviews are undertaken regularly, augmented by a strong internal control environment.

Management of working capital – The majority of the company's costs are paid before fees are settled by clients. There is an ongoing drive across the company to raise invoices quickly to speed up receipts. In addition, the company maintains close working relationships with clients and seeks advance payments on contracts where possible.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

BH GEOENVIRONMENTAL LIMITED

DIRECTOR'S REPORT (continued) **Year ended 30 April 2020**

DIRECTOR'S RESPONSIBILITIES STATEMENT (continued)

The director is 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. He is 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.

PROVISION OF INFORMATION TO THE AUDITOR

The director, at the time when this Director's Report is approved, has confirmed that:

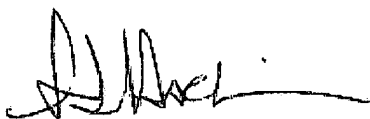
- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing their report and to establish that the company's auditor is aware of that information.

AUDITOR

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

This report was approved by the board 2 September 2020 and signed on its behalf.



A J Harbinson
Director

BH GEOENVIRONMENTAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF BH GEOENVIRONMENTAL LIMITED

OPINION

We have audited the financial statements of BH Geoenvironmental Limited ("the Company") for the year ended 30 April 2020 which comprise statement of income and retained earnings, the statement of financial position, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Directors are responsible for the other information. The other information comprises the information included in the Directors' report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF BH GEOENVIRONMENTAL LIMITED
(continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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

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

RESPONSIBILITIES OF DIRECTORS

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

**INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF BH GEOENVIRONMENTAL LIMITED
(continued)**

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

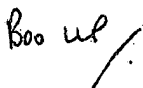
AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

USE OF OUR REPORT

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



Tim Neathercoat (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Date: 02 September 2020

BH GEOENVIRONMENTAL LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS**

Year ended 30 April 2020

	Note	2020 £'000	2019 £'000
TURNOVER	3	27	20
Cost of sales		(18)	(20)
PROFIT BEFORE TAXATION	4	9	-
Tax on profit	5	-	-
PROFIT AFTER TAXATION		9	-
Retained earnings at 1 May		271	271
RETAINED EARNINGS AT 30 APRIL		280	271

All amounts relate to continuing operations.

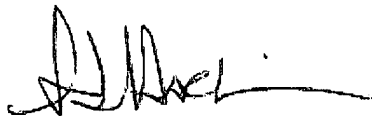
There are no recognised gains or losses for the current or prior financial year other than as stated in the statement of income and retained earnings. Accordingly, no statement of comprehensive income is presented.

The notes on pages 10 to 14 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
At 30 April 2020

	Note	2020 £'000	2019 £'000
CURRENT ASSETS			
Debtors due within one year	6	281	280
CREDITORS: Amounts falling due			
Debtors due within one year	6	-	(8)
NET ASSETS		281	272
CAPITAL AND RESERVES			
Called up share capital	8	1	1
Profit and loss account		280	271
TOTAL EQUITY		281	272

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The financial statements on pages 8 to 14 were approved and authorised for issue by the board and were signed on its behalf on 2 September 2020.



A J Harbinson
Director

The notes on pages 10 to 14 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2020

1. ACCOUNTING POLICIES

1.1 General information

BH Geoenvironmental Limited is a private company limited by shares, and is registered, domiciled and incorporated in England and Wales. The address of the company's registered office is given on page 1. The company's principal activities and nature of operations are set out in the Director's Report on page 2.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Monetary amounts are rounded to the nearest whole £1,000, except where otherwise indicated.

Reduced disclosures

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts and net gains/losses for each category of financial instrument; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Going concern

The financial statements have been prepared on a going concern basis. In adopting the going concern basis, the director has considered the company's operations and principal risks and uncertainties as detailed in the director's report. As part of the Buro Happold group, the future viability of the company is directly linked to the ongoing support of the group.

COVID-19 is having an impact on our global business however the group has reacted swiftly and continues to execute a well-developed plan to manage our resource, reduce costs and maintain a robust liquidity position. Future operating plans are being reviewed regularly to aid timely decision-making and allow appropriate action to be taken. As part of this assessment a detailed modelling exercise has been performed using a base case which has been sensitised in the context of the COVID-19 pandemic.

Under the sensitised model the group anticipates an adverse impact on revenue, with recovery expected during 2021/22. The model assumes cost saving measures already taken by the group will continue for the foreseeable future. Incremental costs of investment in new staff and internally generated assets in order to increase revenue have been assumed to be delayed by one year, in order to reserve cash for working capital through the expected downturn.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2020

1. ACCOUNTING POLICIES

1.2 Basis of preparation of financial statements (continued)

The group has a £20m multicurrency Revolving Credit Facility ('RCF') with HSBC UK, which was fully drawn down at 30 April 2020 as a result of the uncertainty caused by COVID-19. These financial arrangements are subject to certain financial covenants which are tested every quarter. If results were to be in line with the sensitised model, the group would not breach the financial covenants for a period of no less than 12 months from approval of the financial statements.

A review has been performed to determine the point at which covenants would be breached. The likelihood of this scenario arising is remote since current trading is performing well above this. If there were a significant downward trend in results, there are additional mitigating actions available to the group which have not been factored into the modelling exercise.

Based on the assessment carried out in relation to the group, alongside the ongoing support provided by the group, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and, consequently, continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the company.

1.3 Turnover

Turnover represents the fair value of amounts received or receivable for the sale of services to external customers in the ordinary nature of the business. Turnover is shown net of value added tax.

Turnover from contracts for the provision of professional design and advisory services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and sub contractor costs, as a proportion of total costs. There is no minimum stage of completion which must be reached before profit can be recognised. However, where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

Turnover also includes appropriate amounts in respect of long-term work in progress as described in the long term contracts policy below, to the extent that the outcome of these contracts can be assessed with reasonable certainty.

1.4 Long-term contracts and revenue recognition

Revenue is recognised in line with the completion of projects. The percentage completion is determined using the cost approach. Costs incurred to date are compared to the total project cost to completion, with revenue recognised accordingly. Profit is only recognised to the extent that the total project is assessed to be profitable. Provision is made for any future losses as soon as they are foreseen.

For contracts where turnover exceeds fees rendered, the excess is included as amounts recoverable on long term contracts, within debtors. For contracts where fees rendered exceeds turnover, the excess is included in payments on account, within creditors.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2020

1. ACCOUNTING POLICIES (continued)

1.5 Financial instruments

The company has elected to apply the provisions of section 11 'Basic Financial Instruments' and section 12 'Other Financial Instruments Issues' of FRS 102, in full, and to all of its financial instruments.

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument, and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.6 Taxation

The taxation expense represents the current tax expense. Current taxation assets or liabilities are not discounted.

Current tax is based on taxable profit for the year, with a current tax asset recognised when the tax paid exceeds the tax payable. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In producing the financial statements, the company has to make judgements and estimates that directly affect the reported amounts of turnover, expenses, assets and liabilities. These estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These estimates and assumptions concern the future and will, by definition, seldom equal the related actual results. The estimate and judgement that has the most significant effect on the amounts recognised in the financial statements is discussed below:

Revenue recognition

The company believes that the most significant judgement is made in relation to revenue recognition. Revenue is recognised in line with the completion of projects, using the cost approach which involves estimating the total costs of projects. The company has established procedures to ensure that contracts and estimated costs to completion are reviewed regularly.

3. TURNOVER

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2020

4. PROFIT BEFORE TAXATION

Fees payable to the company's auditor and its associates in respect of audit services are as follows:

	2020 £'000	2019 £'000
Audit services – statutory audit of the company	1	1

The audit fee was paid by a fellow group undertaking. During the year, no director received any emoluments (2019 - £nil).

5. TAX ON PROFIT

2020 £'000	2019 £'000
---------------	---------------

Analysis of tax charge in the year

Current tax (see note below)

UK corporation tax charge on profit for the year	-	-
Tax on profit	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020 £'000	2019 £'000
Profit before tax	9	-
Profit multiplied by standard rate of corporation tax in the UK of 19% (2019 – 20%)	2	-
Effects of:		
Group relief surrendered	(2)	-
Tax on profit (see note above)	-	-

Factors that may affect future tax charges

The corporation tax rate will remain at 19% for the year commencing on 1 April 2020.

The director is not aware of any other factors that could materially affect the future tax charge.

BH GEOENVIRONMENTAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 30 April 2020

6. DEBTORS	2020 £'000
Trade debtors	4
Amounts owed by group undertakings	271
Amounts recoverable on long term contracts	6
	<hr/>
	281
	<hr/>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020 £'000
Payments on account	-
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8. SHARE CAPITAL AND RESERVES	2020 £'000
Allotted, called up and fully paid	
865 – Ordinary shares of £1 each	1
	<hr/>

The company has one class of ordinary shares which carry no right to fixed income.

Reserves

The company's only reserve is retained earnings which represents the cumulative profit and of distributions.

9. RELATED PARTY TRANSACTIONS

Advantage has been taken of the exemption from disclosing transactions and balances with wholly owned group undertakings as permitted by Section 33 'Related Party Disclosures' of F

10. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The director considers the ultimate parent undertaking to be Happold LLP, a Limited Partnership registered in England and Wales. Happold LLP is the smallest and largest Liability Partnership for which consolidated accounts including BH Geoenvironmental Limited prepared. The consolidated accounts of Happold LLP are available from its registered office at Camden Mill, Lower Bristol Road, Bath, BA2 3DQ.

The company's immediate parent undertaking at the balance sheet date was Buro Engineers Limited, a company registered in England and Wales.