

**Company Registration No. 2167633**

**MENTOR INTERNATIONAL  
MANAGEMENT CONSULTANTS LIMITED**

**Annual Report and Financial Statements**

**Year ended 31 December 2019**

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# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2019**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

P Davin  
P Perraud

#### **SECRETARY**

J de Sousa

#### **BANKERS**

HSBC Bank Plc  
8 Canary Square  
London  
E14 5HQ

#### **REGISTERED OFFICE**

City Reach,  
5 Greenwich View Pl,  
London,  
E14 9NN

#### **AUDITOR**

Constantin  
Statutory Auditor  
London  
EC1A 9LQ

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **STRATEGIC REPORT**

### **BUSINESS REVIEW AND PRINCIPAL ACTIVITY**

Mentor is a global project resource provider, offering experienced senior managers, engineers and commercial 'project specialists' to blue chip clients to help project-manage, design, construct and commission leading offshore and onshore projects. The Mentor business and brand reputation has been built by servicing 'world class' high capex projects and in supporting these projects by primarily deploying on a secondment basis 'white collar' project expertise and services tailored to the specific client project and phase of development, globally.

Mentor is part of the Mentor IMC Group, which was acquired in December 2013 by Vinci SA, a French publicly listed company. Moving forward, the Company will continue to trade under the Mentor name.

Mentor supplied 'project specialists' will be involved from the inception of a project through each project phase and location. This provides for contracts of long duration giving good visibility on revenues over identified 2, 3 or 4 year project assignment durations.

In addition to finding the candidate, the Company provides a comprehensive range of value added consultancy services to its clients.

The Company prides itself on its attention to quality and detail on behalf of its clients, has a total commitment to acting professionally and ethically and adopts a conservative approach to financial and commercial compliance, utilising global leading brand name auditors and tax advisors.

The Company is accredited with a certified quality management system in accordance with BS EN ISO 9001:2015 and Health and Safety in accordance BS OHSAS ISO 18001:2007.

### **RESULTS AND DIVIDENDS**

The profit for the Company for the year, after taxation, amounted to £2,089,390 (2018: £336,685). The directors paid an interim dividends of £400,000 (2018: £nil). The directors have not proposed a final dividend (2018: £nil).

### **REVIEW OF BUSINESS AND FUTURE PROSPECTS**

For the 12 months up to 31 December 2019 the Company and industry have witnessed a slow recovery in oil and gas activities globally, however the market bottom was probably hit in 2016. The market is still to recover but future prospects remain positive. Throughout 2019 the Company has continued to pursue its diversification policy which has led to further tendering opportunities in renewable energy and with companies belong to the same group.

#### *Future Outlook*

The directors believe that the Company's strategy of further growth across its global market sectors puts it in a favourable position to exploit further opportunities, especially given Mentor's established market presence, which in turn will improve growth in turnover and profitability. Considering the low visibility a yearly rolling strategic plan has been developed and regularly reviewed to focus the Company's commitment and confidence in achieving ongoing growth within the Energy and Infrastructure sectors from existing contracted client business, augmented by known global opportunities.

#### *Principal Risks and Uncertainties*

The management of the business and the execution of the Company's strategic growth plans are subject to a number of risks. The key risks and uncertainties affecting the Company are considered to relate to the price of oil and gas, which could affect the number of new projects undertaken globally. Although the oil and gas business is almost out of crisis, prices remain very low and competition very high. As we have seen in the past months winning tenders remains difficult at reasonable prices. Furthermore some regions historically important for our revenues such as Asia Pacific have not restarted oil and gas projects so far and visibility remains low. On the other hand some important past risks have disappeared such as cancellation of ongoing projects and contracts, and renegotiation of contract margins. Finally the evolution of the energy mix towards more solar (and wind to some smaller extent) rather than fossil is a risk in the long term, and force us to diversify faster than expected.

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## STRATEGIC REPORT

### REVIEW OF BUSINESS AND FUTURE PROSPECTS (continued)

The Company is exposed to a number of financial risks, including liquidity risk, credit risk and exchange rate risk. It is the Company policy that no speculative trading in derivative financial instruments shall be undertaken.

#### *Liquidity risk*

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a new cash pooling facility with its ultimate controlling party.

#### *Credit risk*

The company's principal financial assets are trade, intercompany and other debtors.

The company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. An allowance for impairment is made where there is an identified loss event, which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

#### *Covid 19*

Despite the COVID-19 pandemic, the Company has not suffered a detrimental trading effect. Since March 2020, the Company has operated almost exclusively 'from home' to protect the health and well-being of its workforce and its customers. The offices are deemed covid-safe with strict rules concerning distancing, use of PPE and hand sanitizers throughout, although home working remains the default position for the foreseeable future.

#### *Key Performance Indicators*

The key performance indicators used to determine the progress and performance of the Company are set out below:

Gross profit % has decreased to 9.92% (2018: 19.4%) with a decrease of turnover of 4.21%. This is primarily due to the selective policy that the Company adopts when tendering and competing on projects and in providing its clients with a range of value-added support services.

Staff numbers as referred to in note 6 to the accounts were an average of 19 (2018: 16) during the year. Turnover and operating profit per head were £336,624 (2018: £417,304) and £(36,038) (2018: £5,787) respectively.

Debtor days decreased to 21 days (2018: 26 days) as the Company continues to maintain tight controls on its cash and working capital.

Approved by the Directors and signed on their behalf.

J De Sousa

Secretary

Date: 31/03/21

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2019.

### **FUTURE DEVELOPMENTS**

Details of future developments can be found in the Strategic Report on page 2 and form part of this report by cross reference.

### **DIVIDENDS**

The proposed dividends can be found in the Strategic Report on page 2 and form part of this report by cross reference.

### **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The financial risk management objectives and policies can be found in the Strategic Report on page 2 and form part of this report by cross reference.

### **GOING CONCERN**

The directors have prepared a forecast for the business extending to December 2020. This forecast contains certain assumptions about the Company's sales growth, margins, operating overheads and working capital management. The forecast represents the directors' best estimate of the future performance of the business and reasonably takes into account possible changes in trading performance and current uncertainties in the macro-economic environment.

A letter has been received from Vinci Energies Oil and Gas Division which confirms that it will continue to provide adequate assistance to enable the company to continue its business operations as a going concern for the foreseeable future. It has confirmed that it will not recall or demand any payment due from the company, except that insofar as the funds of the company permits payment and that payment will not adversely affect the ability of the company to carry on its business operations as a going concern. Based on the above, the directors have a reasonable expectation that the company will continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation.

The Covid-19 outbreak arised post year end 2019 and its impact on the oil price and the oil demand confirm the need to develop other markets. The exposure to the Covid-19 economical impact is limited which displays the agility of the Company and the need of our client to keep running the projects.

### **DIRECTORS**

The directors, who served throughout the year, and to the date of this report were as follows:

P Perraud  
P Davin

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **DIRECTORS' REPORT**

### **AUDITOR**

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

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors 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.

Pursuant to Section 485 of the Companies Act 2006, Constantin have been appointed external auditors for the 2019 financial year.

Approved by the Directors and signed on their behalf

J De Sousa

Secretary

Date: 31/03/24



# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **Report on the audit of the financial statements**

### **Opinion**

In our opinion the financial statements of Mentor International Management Consultants Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31/12/2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 20

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).

### **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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED (continued)**

### **Other information**

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

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

We have nothing to report in respect of these matters.

### **Responsibilities of directors**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit for the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Report on other legal and regulatory requirements**

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

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED (continued)**

**Matters on which we are required to report by exception**

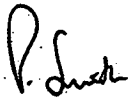
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**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.



Peter Smith FCA (Senior Statutory Auditor)  
for and on behalf of Constantin  
Chartered Accountants and Statutory Auditor  
25 Hosier Lane  
London  
EC1A 9LQ

Date: 31 March 2021

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## PROFIT AND LOSS ACCOUNT Year ended 31 December 2019

|   | Note | 2019<br>£          | 2018<br>£          |
|---|------|--------------------|--------------------|
| <b>TURNOVER</b>   | 3    | 6,395,858          | 6,676,866          |
| Cost of sales   |      | <u>(5,761,241)</u> | <u>(5,380,723)</u> |
| <b>GROSS PROFIT</b>   |      | 634,617            | 1,296,143          |
| Administrative expenses   |      | <u>(1,321,060)</u> | <u>(1,203,559)</u> |
| <b>OPERATING PROFIT (LOSS)</b>  | 4    | (686,443)          | 92,584             |
| Finance costs (net)   |      | <u>(36,676)</u>    | <u>(45,521)</u>    |
| Dividend income   | 7    | <u>2,675,000</u>   |                    |
| <b>PROFIT BEFORE TAXATION</b>   |      | 1,951,881          | 47,063             |
| Tax on profit   | 8    | <u>137,509</u>     | <u>289,622</u>     |
| <b>PROFIT FOR THE FINANCIAL YEAR<br/>ATTRIBUTABLE TO THE EQUITY<br/>SHAREHOLDERS OF THE COMPANY</b> |      | <u>2,089,390</u>   | <u>336,685</u>     |

All activities derive from continuing operations.

There are no comprehensive income or expenses other than the profit for the financial year and the loss for the preceding financial year. Accordingly, no statement of comprehensive income is given.

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## BALANCE SHEET 31 December 2019

|   | Note | 2019<br>£          | 2018<br>£          |
|---|------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                                   |      |                    |                    |
| Tangible assets                                       | 10   | 1,508              | 1,978              |
| Investments   | 11   | 53,367             | 53,367             |
|   |      | <u>54,875</u>      | <u>55,345</u>      |
| <b>CURRENT ASSETS</b>                                 |      |                    |                    |
| Debtors - amounts due within one year                 | 12   | 6,547,112          | 5,475,409          |
| Cash at bank and in hand                              |      | 11                 | 294                |
|   |      | <u>6,547,123</u>   | <u>5,475,703</u>   |
| <b>CREDITORS: amounts falling due within one year</b> | 13   | <u>(4,539,228)</u> | <u>(5,157,668)</u> |
| <b>NET CURRENT ASSETS</b>                             |      | <u>2,007,895</u>   | <u>318,035</u>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | <u>2,062,770</u>   | <u>373,380</u>     |
| <b>NET ASSETS</b>                                     |      | <u>2,062,770</u>   | <u>373,380</u>     |
| <b>CAPITAL AND RESERVES</b>                           |      |                    |                    |
| Called up share capital                               | 15   | 10,000             | 10,000             |
| Profit and loss account                               | 15   | 2,052,770          | 363,380            |
| <b>SHAREHOLDERS' FUNDS</b>                            |      | <u>2,062,770</u>   | <u>373,380</u>     |

The financial statements of Mentor International Management Consultants Limited (company number 2167633) were approved by the Board of Directors and authorised for issue on

Signed by:



P Perraud

Director

Date: 31 March 2021

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **STATEMENT OF CHANGES IN EQUITY 31 December 2019**

|                               | <b>Called up<br/>share<br/>capital<br/>£</b> | <b>Profit and<br/>loss<br/>account<br/>£</b> | <b>Total<br/>£</b> |
|-------------------------------|--|--|--------------------|
| At 1 January 2018             | 10,000                                       | 26,695                                       | 36,695             |
| Profit for the financial year |  | 336,385                                      | 336,685            |
| Dividends (note 9)            |  |  |                    |
| At 31 December 2018           | 10,000                                       | 363,380                                      | 373,380            |
| Profit for the financial year |  | 2,089,390                                    | 2,089,390          |
| Dividends (note 9)            |  | (400,000)                                    | (400,000)          |
| At 31 December 2019           | 10,000                                       | 2,052,770                                    | 2,062,770          |

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2019**

### **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

#### **General information and basis of accounting**

Mentor International Management Consultants Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on pages 2 and 3.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Mentor International Management Consultants Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Mentor International Management Consultants Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to presentation of a cash flow statement, related party transactions and remuneration of key management personnel.

#### **Group accounts**

The company has taken advantage of the exemption available under section 400 of the Companies Act 2006 from preparing consolidated accounts, as it is a wholly owned subsidiary of Vinci SA a company registered in France, which itself prepares consolidated financial statements.

#### **Going concern**

The directors have prepared a forecast for the business extending to December 2019. This forecast contains certain assumptions about the Company's sales growth, margins, operating overheads and working capital management. The forecast represents the directors' best estimate of the future performance of the business and takes into account reasonably possible changes in trading performance and current uncertainties in the macro economic environment.

A letter has been received from Vinci Energies Oil and Gas Division which confirms that it will continue to provide adequate assistance to enable the company to continue its business operations as a going concern for the foreseeable future. It has confirmed that it will not recall or demand any payment due from the company, except that insofar as the funds of the company permits payment and that payment will not adversely affect the ability of the company to carry on its business operations as a going concern. Based on the above, the directors have a reasonable expectation that the company will continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, of each asset on a straight line basis over its expected useful life, as follows:

|                        |  |
|------------------------|--|
| Leasehold improvements | Over the shorter of the useful economic life of the asset and the lease period |
| Fixtures and fittings  | Over 4 years   |

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)** **Year ended 31 December 2019**

### **1. ACCOUNTING POLICIES (continued)**

#### **Investments**

Investments held as fixed assets are stated at cost less provision for any impairment in value.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies during the period are recorded at the rate of exchange ruling at the date of the transaction.

All differences are taken to the profit and loss account.

#### **Turnover**

Turnover represents the amounts derived from the provision of services which fall within the company's ordinary activities, stated net of value added tax. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable. Payments for services are done in arrears and are based on monthly timesheet data provided by consultants, the fee payable for time is agreed up front and is included within the service contracts.

#### **Pension costs**

The company operates a defined contribution pension scheme. Contributions payable are recognised in the profit and loss account on an accruals basis.

#### **Leases**

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term.

#### **Financial liabilities and equity**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Financial instruments**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.



# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued)** **Year ended 31 December 2019**

### **1. ACCOUNTING POLICIES (continued)**

#### **Financial instruments (continued)**

##### **(i) Financial assets and liabilities**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

# **MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019**

### **1. ACCOUNTING POLICIES (continued)**

#### **Financial instruments (continued)**

##### **(ii) Equity instruments**

Equity instruments issued by the company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

### **2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not believe there are any critical accounting judgements or items with estimation uncertainty that would have a significant effect on the amounts recognised in the financial statements.

### **3. TURNOVER**

Turnover is split by geographical destination as follows:

|                | <b>2019</b>      | <b>2018</b>      |
|----------------|------------------|------------------|
|                | <b>£</b>         | <b>£</b>         |
| United Kingdom | 4,593,851        | 3,727,542        |
| Rest of Europe | 643,915          | 2,604,354        |
| Rest of World  | 1,158,092        | 344,970          |
|                | <u>6,395,858</u> | <u>6,676,866</u> |

All revenue is derived from the Company's principal activity.

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019

### 4. OPERATING PROFIT (LOSS)

|  | 2019<br>£      | 2018<br>£      |
|--|----------------|----------------|
| <b>Operating profit (loss) is stated after charging:</b>                             |                |                |
| Depreciation of owned fixed assets   | 470            | 5,457          |
| Operating lease rentals (land and buildings)   | 145,972        | 97,198         |
| Net foreign exchange profit (losses)   | 396,667        | 17,355         |
|  | <u>443,109</u> | <u>120,010</u> |
| <b>The analysis of the auditor's remuneration is as follows:</b>                     |                |                |
| Fees payable to the company's auditor for the audit of the company's annual accounts | 42,000         | 42,000         |
| <b>Total audit fees</b>  | <u>42,000</u>  | <u>42,000</u>  |
| <b>Other services pursuant to legislation:</b>                                       |                |                |
| Tax services   | 7,000          | 7,535          |
| <b>Total non-audit fees</b>  | <u>7,000</u>   | <u>7,535</u>   |

### 5. DIRECTORS' REMUNERATION

|            | 2019<br>£ | 2018<br>£ |
|------------|-----------|-----------|
| Emoluments | -         | -         |

The highest paid director received emoluments of £nil in the year (2018 - £nil). No payments were made by the company into money purchase pension schemes in respect of the highest paid director.

Both directors are paid through another group entity.

### 6. STAFF COSTS

|   | 2019<br>£        | 2018<br>£      |
|---|------------------|----------------|
| Wages and salaries                                | 830,105          | 774,938        |
| Social security costs                             | 166,390          | 119,960        |
| Pension costs                                     | 34,118           | 37,402         |
|   | <u>1,030,613</u> | <u>932,300</u> |
| <b>Monthly average number of persons employed</b> |                  |                |
| Management and administration                     | 19               | 16             |

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

|                               | 2019<br>£ | 2018<br>£ |
|-------------------------------|-----------|-----------|
| Intercompany interest payable | 38,402    | 45,521    |

### 8. TAX ON PROFIT (LOSS)

#### (a) Analysis of tax charge for the year on the profit:

|   | 2019<br>£        | 2018<br>£        |
|---|------------------|------------------|
| <b>Current tax</b>                                    |                  |                  |
| United Kingdom corporation tax on profits of the year | (131,629)        | 7,505            |
| Adjustment in respect of previous periods             | (7,505)          | (295,991)        |
| <b>Total current tax</b>                              | <b>(139,134)</b> | <b>(288,486)</b> |
| <b>Deferred tax</b>                                   |                  |                  |
| Origination and reversal of timing differences        | 1,510            | (1,270)          |
| Effect of changes in tax rates                        | -                | 134              |
| Adjustment in respect of prior periods                | 115              | -                |
| <b>Tax on loss</b>                                    | <b>(137,509)</b> | <b>(289,622)</b> |

#### (b) Factors affecting tax charge for the year:

The tax assessed for the year differs from the expected charge at the standard rate of UK corporation tax of 19% (2018: 19%). The differences are explained below:

|   | 2019<br>£        | 2018<br>£        |
|---|------------------|------------------|
| Profit (loss) before tax  | 1,951,881        | 47,063           |
| Profit (loss) multiplied by the standard rate of corporation tax of 19% (2018: 19%) | 370,857          | 8,942            |
| Effects of:   |                  |                  |
| Dividends not taxable   | (508,250)        | -                |
| Expenses not allowable for tax  | -                | 4,664            |
| Brought forward/back losses   | 7,451            | (7,505)          |
| Adjustments to tax charge in respect of previous periods                            | (7,390)          | (295,991)        |
| Tax rate changes  | (177)            | 134              |
| Other   | -                | 134              |
| <b>Total tax charge for the year (Note 8a)</b>                                      | <b>(137,509)</b> | <b>(289,622)</b> |

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019

### 8. TAX ON PROFIT (LOSS) (continued)

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2021. The closing deferred tax assets and liabilities have been calculated at 17%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

### 9. DIVIDENDS

|   | 2019<br>£ | 2018<br>£ |
|---|-----------|-----------|
| Interim dividend paid of £ 40 per share (2018 - £nil per share) | 400,000   | -         |

### 10. TANGIBLE FIXED ASSETS

|  | Leasehold<br>improve-<br>ments<br>£ | Fixtures<br>and fittings<br>£ | Total<br>£ |
|--|-------------------------------------|-------------------------------|------------|
| <b>Cost</b>                            |                                     |                               |            |
| At 1 January 2019 and 31 December 2019 | 26,134                              | 204,880                       | 231,014    |
| <b>Depreciation</b>                    |                                     |                               |            |
| At 1 January 2019                      | 26,134                              | 202,902                       | 229,036    |
| Provided during the year               |                                     | 470                           | 470        |
| At 31 December 2019                    | 26,134                              | 203,372                       | 229,506    |
| <b>Net book value</b>                  |                                     |                               |            |
| At 31 December 2019                    |                                     | 1,508                         | 1,508      |
| At 31 December 2018                    |                                     | 1,978                         | 1,978      |

### 11. FIXED ASSET INVESTMENTS

|                                   | 2019<br>£ | 2018<br>£ |
|-----------------------------------|-----------|-----------|
| Shares in subsidiary undertakings | 16,557    | 16,557    |
| Associates                        | 36,810    | 36,810    |
|                                   | 53,367    | 53,367    |

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019

### 11. FIXED ASSET INVESTMENTS (continued)

#### Principal group investments

The company has investments in the following subsidiary undertakings and associates which are all engaged in the provision of multi-disciplined project resource and services.

| Subsidiary undertakings                | Country of incorporation | Holding                | %   | Address  |
|--|--------------------------|------------------------|-----|--|
| Mentor IMC (Singapore) Pte Limited     | Singapore                | Ordinary share capital | 100 | 50 Raffles Place, 32-01, Singapore Land Tower, 048623, Singapore |
| Mentor IMC (USA) Incorporated          | USA                      | Ordinary share capital | 100 | 3 Riverway, Suite 1725, Houston, Texas, 77056, USA               |
| Mentor IMC (Australia) Pty Limited     | Australia                | Ordinary share capital | 100 | 283 Rokeby Rd, WA 6008, Subiaco, Australia                       |
| Mentor IMC Projects (USA) Incorporated | USA                      | Ordinary share capital | 50  | 3 Riverway, Suite 1725, Houston, Texas, 77056, USA               |
| <b>Associates</b>                      |                          |                        |     |  |
| Jetec Saudi Limited                    | Saudi Arabia             | Ordinary share capital | 21  | PO Box 691, Dhahran Airport, 31932                               |

### 12. DEBTORS

|   | 2019<br>£        | 2018<br>£        |
|---|------------------|------------------|
| <b>Amounts falling due within one year:</b> |                  |                  |
| Trade debtors                               | 685,663          | 1,188,928        |
| Amounts due from group undertakings         | 2,925,720        | 606,439          |
| Loan to parent company                      | 2,132,042        | 2,532,042        |
| Deferred tax asset (note 14)                | 841              | 2,466            |
| Corporation Tax                             | 139,080          | 140,869          |
| Other tax and social security               | -                | 40,020           |
| Other debtors                               | 239,749          | 62,506           |
| Prepayments and accrued income              | 424,017          | 902,139          |
|   | <u>6,547,112</u> | <u>5,475,409</u> |

The amounts due from group undertakings and loan to parent company are interest free, unsecured and repayable on demand and are consequently disclosed as falling due within one year.

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

|                                   | 2019<br>£        | 2018<br>£        |
|-----------------------------------|------------------|------------------|
| Amounts due to group undertakings | 3,789,490        | 2,509,084        |
| Loan from parent company          | -                | 1,908,595        |
| Trade creditors                   | -                | 337,265          |
| Other tax and social security     | 27,783           | -                |
| Other creditors                   | 306,542          | -                |
| Accruals and deferred income      | 415,413          | 402,724          |
|                                   | <u>4,539,228</u> | <u>5,157,668</u> |

Interest is payable on the loan from parent company at a variable rate of LIBOR +0.75%. The other amounts due to group undertakings are interest free and unsecured. They are repayable on demand and are consequently disclosed as falling due within one year.

### 14. DEFERRED TAXATION (ASSET) LIABILITY

The movement in the deferred taxation (asset) liability during the year was:

|  | Fixed asset<br>timing<br>differences<br>£ | Other<br>timing<br>differences<br>£ | Net<br>£     |
|--|---|-------------------------------------|--------------|
| At 1 January 2019  | (1,117)                                   | (1,349)                             | (2,466)      |
| Profit and loss account movement arising during the year | 276                                       | 1,349                               | 1,625        |
| At 31 December 2019                                      | <u>(841)</u>                              | <u>-</u>                            | <u>(841)</u> |

### 15. CALLED UP SHARE CAPITAL AND RESERVES

|   | 2019<br>£     | 2018<br>£     |
|---|---------------|---------------|
| Allotted, called up and fully paid<br>10,000 ordinary shares of £1 each | <u>10,000</u> | <u>10,000</u> |

The company's other reserve is as follows:

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

# MENTOR INTERNATIONAL MANAGEMENT CONSULTANTS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (continued) Year ended 31 December 2019

### 16. OPERATING LEASE COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

|                            | Land and buildings |                |
|----------------------------|--------------------|----------------|
|                            | 2019               | 2018           |
|                            | £                  | £              |
| Expiry date                |                    |                |
| Within one year            | 58,029             | 142,536        |
| Between two and five years | 172,526            | 35,634         |
|                            | <u>230,555</u>     | <u>178,170</u> |

Leases of land and buildings are typically subject to rent reviews at specified intervals and provide for the lessee to pay all insurance, maintenance and repair costs.

### 17. PENSION SCHEME

The Company operates a defined contribution pension scheme. Payments into this scheme are charged to the profit and loss account as they fall due. During the year £34,118 (2018: £37,402) was charged to the profit and loss account. Amounts of £nil were outstanding at the year end (2018: £7,934) and included within creditors.

### 18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption afforded by FRS 102 Section 33 "Related party disclosures" not to disclose transactions and balances with group companies as its results are consolidated into the financial statements of its parent company which are publicly available.

### 19. ULTIMATE CONTROLLING COMPANY

The Company's immediate parent company is Mentor IMC Group Limited, a company registered in England and Wales.

The Company's ultimate parent undertaking and ultimate controlling party is Vinci SA, a company incorporated in France. This is the largest and smallest group within which the Company's results are consolidated. Copies of the group financial statements can be obtained from 1 Cours Ferdinand de Lesseps, F-92851 Rueil Malmaison Cedex, France.

### 20. POST BALANCE SHEET EVENT

In March 2020, the Company faced the first lockdown given the Covid-19 outbreak. After a careful review by the Directors, it has been decided the Covid-19 outbreak did not have a significant impact on the Company.