

Dunton Environmental Limited
Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2022

Advance Audit Limited
Statutory Auditor
71/73 Hoghton Street
Southport
Merseyside
PR9 0PR

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for the Year Ended 31 December 2022**

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Dunton Environmental Limited

Company Information for the Year Ended 31 December 2022

DIRECTORS:

Mr M D Deary
Mr M Lacazedieu
Mr N A Roe

REGISTERED OFFICE:

Soterion House Northgate
Aldridge
Walsall
West Midlands
WS9 8TH

REGISTERED NUMBER:

05839536 (England and Wales)

AUDITORS:

Advance Audit Limited
Statutory Auditor
71/73 Hoghton Street
Southport
Merseyside
PR9 0PR

**Strategic Report
for the Year Ended 31 December 2022**

The directors present their strategic report for the year ended 31 December 2022.

The Company's principal activity is remediation activities and other waste management services.

BUSINESS MODEL

Dunton Environmental Ltd is a leading ground remediation and waste management contractor. The Company is part of the worldwide foundation group, Soletanche Freyssinet, itself one of the largest and most diverse soil improvement and remediation specialists for the construction industry.

The Company carries out projects nationally for a wide range of major clients.

The Company views health, safety and training as priority areas to ensure that its human resources are well equipped to deal with the challenges that the Company's business sector presents. Increasing control and regulation related to plant, site operations and the environment are regarded as positive factors throughout all levels of the Company's personnel.

REVIEW OF BUSINESS

The loss before tax for the year amounted to £1.476 million (2021 profit before tax £ .890 million) which was below the initial expectation for the year.

The activity of the Company was affected by lower than forecast sales expectations, inflationary cost increases without the opportunity to raise prices, and a general downturn in the sector.

KEY PERFORMANCE INDICATORS

The Company views turnover and profitability as the main indicators in the business. Turnover, including management fees in 2022 was £11.425 million, £2.701 million down from the same period in 2021. The 2022 Return on physical assets ("ROPA") was -£1.406 million compared to the £ .993 million achieved in 2021.

The business has continued to invest inwardly in the following areas: staff growth and training, marketing and sales, new permits for waste treatment centres, new building/office premise improvements and new technology.

During 2023, the business will undergo some structural and efficiency changes to return the business to profit

PRINCIPAL RISKS AND UNCERTAINTIES

The business team has identified the following risks which are currently being monitored and managed. These items are raised at regular board meetings for review.

Materials and wages inflation in the industry is having an impact on fixing long term tendering opportunities. As such the business is monitoring the input costs of materials and labour and ensuring this is regularly addressed and updated when tendering.

There is an inherent risk of competition in the market but the Company is always looking to provide the best technological solution at the best value for the clients.

The other main risk is the non-payment of clients debts but the Company regularly monitors the financial health of its Clients to ensure bad debts are not a significant issue in the Company strategic report.

SECTION 172(1) STATEMENT

The Board confirm they have carried out their s.172 duties under the Companies Act 2006. The Board developed a detailed strategic action plan which focuses on 5 key areas: Health & Safety, Turnover growth, increased profitability, People and Innovation.

These areas, whilst having independent actions, are also interdependent and the success of the action plan will provide benefits to multiple stakeholders ensuring our staff are valued, rewarded and motivated to provide innovative and quality solutions to our Clients.

**Strategic Report
for the Year Ended 31 December 2022**

EMPLOYEE ENGAGEMENT STATEMENT

The Company makes full use of its internet, regular news flashes, Whatsapp groups and in-house newsletters, with contributions from employees, to communicate matters of interest to as wide an audience as possible. The Company has an employee forum where employee's representatives meet and ask questions to the Company's management about a wide range of issues which may affect them.

EMPLOYEE WITH OTHER STAKEHOLDERS

Customers

The Company works closely and collaboratively with our customers to ensure effective and efficient delivery of our services that meet their specific needs. We believe open communication at all stages of the works is vital to ensure our customers receive the outcome they are happy with.

Suppliers

The Company has a number of national framework agreements with key suppliers which provides visibility and consistency for those suppliers as well as ensuring we have access to the key products and services we require. The Company operates out of national Client sites and recognises the importance of working with local smaller suppliers ensuring the local regions will benefit economically from our presence there.

Community

The Company has a well-established apprenticeship programme providing an excellent training programme. Both the Company and its employees provide support and donations to local charities including the Group charity, Vinci Foundation

FUTURE DEVELOPMENTS

The strategic priorities of the business are to build robust control systems and deliver projects that really focus on our unique selling points. The goal is to improve EBITDA. The business will also focus on innovation at every operational level and particularly drive new technology development in soil and waste remediation.

ON BEHALF OF THE BOARD:

Mr N A Roe - Director

19 May 2023

Dunton Environmental Limited (Registered number: 05839536)

Report of the Directors for the Year Ended 31 December 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of remediation activities and other waste management services.

DIVIDENDS

The total distribution of dividends paid during the year ended 31 December 2022 was £500,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

Mr M D Deary
Mr M Lacazedieu
Mr N A Roe

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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). 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Advance Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr N A Roe - Director

19 May 2023

Report of the Independent Auditors to the Members of Dunton Environmental Limited

Opinion

We have audited the financial statements of Dunton Environmental Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and 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 31 December 2022 and of its loss 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 Auditors' 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Dunton Environmental Limited

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 Strategic Report or the Report of the Directors.

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, 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of Dunton Environmental Limited

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 a Report of the Auditors 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.

Jennifer Tobin FCCA (Senior Statutory Auditor)
for and on behalf of Advance Audit Limited
Statutory Auditor
71/73 Hoghton Street
Southport
Merseyside
PR9 0PR

19 May 2023

Dunton Environmental Limited (Registered number: 05839536)

**Statement of Comprehensive Income
for the Year Ended 31 December 2022**

	Notes	2022 £	2021 £
TURNOVER	3	11,020,142	13,760,223
Cost of sales		<u>9,668,468</u>	<u>10,181,072</u>
GROSS PROFIT		1,351,674	3,579,151
Administrative expenses		<u>3,228,065</u> (1,876,391)	<u>2,951,883</u> 627,268
Other operating income		<u>470,600</u>	<u>365,600</u>
OPERATING (LOSS)/PROFIT	5	(1,405,791)	992,868
Interest payable and similar expenses	6	<u>70,497</u>	<u>102,877</u>
(LOSS)/PROFIT BEFORE TAXATION		(1,476,288)	889,991
Tax on (loss)/profit	7	<u>(280,431)</u>	<u>186,260</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(1,195,857)	703,731
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,195,857)</u>	<u>703,731</u>

The notes form part of these financial statements

Dunton Environmental Limited (Registered number: 05839536)

Balance Sheet
31 December 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	9		1,665,819		2,008,188
CURRENT ASSETS					
Stocks	10	40,200		40,200	
Debtors	11	3,692,087		2,432,269	
Cash at bank and in hand		<u>423,637</u>		<u>2,814,225</u>	
		4,155,924		5,286,694	
CREDITORS					
Amounts falling due within one year	12	<u>4,191,465</u>		<u>3,274,010</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(35,541)</u>		<u>2,012,684</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,630,278		4,020,872
CREDITORS					
Amounts falling due after more than one year	13		(777,112)		(1,242,123)
PROVISIONS FOR LIABILITIES	16		-		(229,726)
NET ASSETS			<u>853,166</u>		<u>2,549,023</u>
CAPITAL AND RESERVES					
Called up share capital	17		100		100
Retained earnings			<u>853,066</u>		<u>2,548,923</u>
SHAREHOLDERS' FUNDS			<u>853,166</u>		<u>2,549,023</u>

The financial statements were approved by the Board of Directors and authorised for issue on 19 May 2023 and were signed on its behalf by:

Mr N A Roe - Director

Mr M Lacazedieu - Director

Dunton Environmental Limited (Registered number: 05839536)

**Statement of Changes in Equity
for the Year Ended 31 December 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	100	1,845,192	1,845,292
Changes in equity			
Total comprehensive income	-	703,731	703,731
Balance at 31 December 2021	100	2,548,923	2,549,023
Changes in equity			
Dividends	-	(500,000)	(500,000)
Total comprehensive income	-	(1,195,857)	(1,195,857)
Balance at 31 December 2022	100	853,066	853,166

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2022**

1. STATUTORY INFORMATION

Dunton Environmental Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The Company's business model results in a positive working capital cycle which generates sufficient cash flows to fund the business. The directors have reviewed the current performance and prepared cash flow forecasts for the next 12 months. The realisation of these forecasts may be affected by a number of factors, including changes in customer behaviour, however, the directors are confident that the Company has adequate resources to continue its operations for the foreseeable future.

For these reasons, they continue to adopt the going concern basis in preparing the financial statements. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company's ultimate parent undertaking, Vinci S.A. includes the Company in its consolidated financial statements. The consolidated financial statements of Vinci S.A. are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the address given in note 16. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Vinci S.A. include the equivalent disclosures, the Company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of 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 labour and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements - 8.34% on cost
Plant and machinery - 20% reducing balance
Fixtures and fittings - 20% reducing balance
Computer equipment - 33% reducing balance
Motor vehicles - 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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 in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

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.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3. TURNOVER

The turnover and loss (2021 - profit) before taxation are attributable to the one principal activity of the company.

4. EMPLOYEES AND DIRECTORS

	2022 £	2021 £
Wages and salaries	3,004,544	2,998,050
Social security costs	20,137	12,925
	<u>3,024,681</u>	<u>3,010,975</u>

The average number of employees during the year was as follows:

	2022	2021
Average number of employees	<u>63</u>	<u>67</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

4. EMPLOYEES AND DIRECTORS - continued

	2022	2021
	£	£
Directors' remuneration	<u>152,571</u>	<u>102,500</u>

5. OPERATING (LOSS)/PROFIT

The operating loss (2021 - operating profit) is stated after charging/(crediting):

	2022	2021
	£	£
Hire of plant and machinery	1,944,890	2,234,961
Depreciation - owned assets	227,317	218,891
Depreciation - assets on hire purchase contracts	121,575	203,707
Profit on disposal of fixed assets	<u>(5,810)</u>	<u>(19,511)</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Loan interest	55,481	80,607
Hire purchase	<u>15,016</u>	<u>22,270</u>
	<u>70,497</u>	<u>102,877</u>

7. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	-	204,750
Deferred tax	<u>(280,431)</u>	<u>(18,490)</u>
Tax on (loss)/profit	<u>(280,431)</u>	<u>186,260</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

7. TAXATION - continued

Reconciliation of total tax (credit)/charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
(Loss)/profit before tax	(1,476,288)	889,991
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(280,495)	169,098
Effects of:		
Expenses not deductible for tax purposes	64	13,910
Depreciation in excess of capital allowances	-	24,948
Utilisation of tax losses	-	(21,696)
Total tax (credit)/charge	<u>(280,431)</u>	<u>186,260</u>

8. DIVIDENDS

	2022 £	2021 £
Ordinary shares of 1 each		
Final	<u>500,000</u>	<u>-</u>

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2022	671,253	2,717,145	294,243
Additions	-	59,715	4,568
Disposals	-	(168,000)	-
At 31 December 2022	<u>671,253</u>	<u>2,608,860</u>	<u>298,811</u>
DEPRECIATION			
At 1 January 2022	120,371	1,441,997	149,888
Charge for year	55,514	251,816	29,235
Eliminated on disposal	-	(110,460)	-
At 31 December 2022	<u>175,885</u>	<u>1,583,353</u>	<u>179,123</u>
NET BOOK VALUE			
At 31 December 2022	<u>495,368</u>	<u>1,025,507</u>	<u>119,688</u>
At 31 December 2021	<u>550,882</u>	<u>1,275,148</u>	<u>144,355</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

9. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2022	175,300	30,071	3,888,012
Additions	24,221	-	88,504
Disposals	(137,995)	-	(305,995)
At 31 December 2022	<u>61,526</u>	<u>30,071</u>	<u>3,670,521</u>
DEPRECIATION			
At 1 January 2022	137,497	30,071	1,879,824
Charge for year	12,327	-	348,892
Eliminated on disposal	(113,554)	-	(224,014)
At 31 December 2022	<u>36,270</u>	<u>30,071</u>	<u>2,004,702</u>
NET BOOK VALUE			
At 31 December 2022	<u>25,256</u>	<u>-</u>	<u>1,665,819</u>
At 31 December 2021	<u>37,803</u>	<u>-</u>	<u>2,008,188</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 January 2022	1,396,258	-	1,396,258
Additions	-	20,970	20,970
At 31 December 2022	<u>1,396,258</u>	<u>20,970</u>	<u>1,417,228</u>
DEPRECIATION			
At 1 January 2022	581,428	-	581,428
Charge for year	116,769	4,806	121,575
At 31 December 2022	<u>698,197</u>	<u>4,806</u>	<u>703,003</u>
NET BOOK VALUE			
At 31 December 2022	<u>698,061</u>	<u>16,164</u>	<u>714,225</u>
At 31 December 2021	<u>814,830</u>	<u>-</u>	<u>814,830</u>

10. **STOCKS**

	2022 £	2021 £
Stocks	<u>40,200</u>	<u>40,200</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	584,888	125,408
Work in progress	1,100,260	1,473,477
Amount recoverable on contract	1,578,800	531,195
VAT	112,529	8,494
Deferred tax asset	50,705	-
Prepayments	264,905	293,695
	<u>3,692,087</u>	<u>2,432,269</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 14)	1,000,000	-
Other loans (see note 14)	320,000	320,000
Hire purchase contracts (see note 15)	174,762	236,920
Trade creditors	997,953	933,025
Amounts owed to group undertakings	281,839	209,795
Amounts owed to associates	187,547	243,782
Tax	(18,483)	176,059
Social security and other taxes	104,086	106,234
Pension	23,059	21,043
Other creditors	(2,843)	10,595
Accruals and deferred income	1,123,545	1,016,557
	<u>4,191,465</u>	<u>3,274,010</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Other loans (see note 14)	671,021	991,021
Hire purchase contracts (see note 15)	106,091	251,102
	<u>777,112</u>	<u>1,242,123</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	1,000,000	-
Other loans	320,000	320,000
	<u>1,320,000</u>	<u>320,000</u>
Amounts falling due between one and two years:		
Other loans - 1-2 years	<u>671,021</u>	<u>991,021</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 2022 £	2021 £
Net obligations repayable:		
Within one year	174,762	236,920
Between one and five years	<u>106,091</u>	<u>251,102</u>
	<u>280,853</u>	<u>488,022</u>
	Non-cancellable	operating leases
	2022	2021
	£	£
Within one year	173,084	154,632
Between one and five years	477,169	423,887
In more than five years	<u>334,000</u>	<u>468,000</u>
	<u>984,253</u>	<u>1,046,519</u>

16. PROVISIONS FOR LIABILITIES

	2021 £
Deferred tax	<u>229,726</u>
	Deferred tax £
Balance at 1 January 2022	229,726
Provided during year	<u>(280,431)</u>
Balance at 31 December 2022	<u>(50,705)</u>

It is not possible to determine how much of the deferred tax liability will reverse within 12 months as the company's capital expenditure programme is not yet finalised.

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2022 £	2021 £
100	Ordinary	1	<u>100</u>	<u>100</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2022**

18. RELATED PARTY DISCLOSURES

During the year the company made sales, recharged costs and management fees totalling £2,302,062 (2021: £3,123,877) and purchases of £100,262 (2021: £410,826) with Dunton Technologies Limited, a company under common control. A balance of £176,997 was due to this company at the year end.

During the year the company was charged purchases management fees totalling £660,210 (2021: £209,795) by the parent company, Soletanche Freyssinet. At the year end the balance owing to Soletanche Freyssinet was £281,839 (2021: £209,795) which is included within amounts owing to group entities.

The company rents premises and was charged management fees from Soterion Limited, a company in which director Mr N Roe is a shareholder. Rent and management fees totalled £138,928 (2021: £78,000) was paid in the year. At the year end the balance owing to Soterion Limited was £10,550 (2021: £52,449).

A dividend of £500,000 has been paid in the year

19. ULTIMATE CONTROLLING PARTY

The Company is a subsidiary undertaking of Soletanche Freyssinet S.A. The ultimate parent company at the balance sheet date is Vinci S.A, incorporated in France.

The largest group in which the results of the Company are consolidated is that headed by Vinci S.A., incorporated in France. The smallest group in which they are consolidated is that headed by Soletanche Freyssinet S.A, incorporated in France. The consolidated financial statements, of these groups are available to the public and may be obtained from Soletanche Freyssinet S.A., Rueil Malmaison Cedex, France.

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