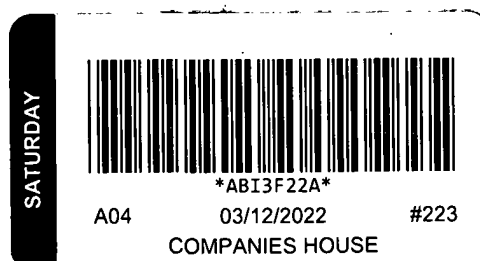


Registration number: 06683845

Connect Plus (M25) Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2022



Connect Plus (M25) Limited

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Connect Plus (M25) Limited

Strategic Report for the Year Ended 31 March 2022

The Directors present their strategic report for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is the operation of a 30 year Private Finance Initiative ("PFI") contract to develop and maintain the M25 motorway (the "Concession Agreement").

On 20 May 2009 Connect Plus (M25) Limited entered into a PFI contract with National Highways (the "Client") to upgrade and maintain the M25 motorway for 30 years. The construction of the initial upgrade was completed in July 2012. On 21 December 2012 National Highways commissioned a further 45km of road widening on the M25 under the existing agreement and construction was completed in March 2015.

Review of the Business

The results for the year are set out on page 13. The profit for the year after taxation was £37,268k (2021: £25,896k). The net liabilities position as at 31 March 2022 was £240,164k (2021: £201,516k).

The Directors expect the Company to continue its operations for the foreseeable future.

Key Performance Indicators

The Company has set specific business objectives, which are monitored using a number of Key Performance Indicators ("KPI's"). The relevant KPI's for this report are detailed below.

	2022 £ 000	2021 £ 000
Profit after tax	37,268	25,896
Net liabilities	<u>(240,164)</u>	<u>(201,516)</u>

The net liability position arises as a result of the requirement under FRS 102 to recognise the current market value of the existing RPI swap contracts and amortise the historic cost of terminating the interest swaps in 2018; this does not affect operational performance. The Directors consider that the KPIs are in line with expectations.

Principal Risks and Uncertainties

The Company recognises that effective risk management is fundamental to achieving its business objectives in order to meet its commitments in fulfilling the PFI contract and in delivering a safe and efficient service. Risk management contributes to the success of the business by identifying opportunities and anticipating risks in order to improve business performance and fulfil our contractual obligations.

Contractual relationships

The Company operates within a contractual relationship with its primary Client. Impairment of this relationship could have an impact upon the Company and lead to a breach of contract. Consequently, to manage this risk, the Company has regular meetings with the Client, including discussions on performance, project processes, future plans and customer requirements. In accordance with the Concession Agreement, the Company is responsible for upgrading and maintaining services in relation to the road, which, if not provided, could have a detrimental impact upon the Company.

Credit & cash flow risks

The relevant financial risks to the Company are credit and cash flow risks, which arise from its Client. The credit and cash flow risks are not considered significant as the Client is a quasi governmental organisation.

Connect Plus (M25) Limited

Strategic Report for the Year Ended 31 March 2022 (continued)

Liquidity risk

The Company's liquidity risk is principally managed through financing the Company by means of long-term borrowings, with an amortisation profile that matches the expected availability of funds from the Company's operating activities. In addition, the Company maintains reserve bank accounts to provide short-term liquidity against future debt service and other expenditure requirements.

Brexit

The Directors have considered the consequences to the Company of the United Kingdom having exited the European Union and, as at the date of signing the report, this has not had a significant impact on the Company and it is not anticipated that this will have a significant impact in the future. This is primarily because the Company's contractual agreements, including those which cover its financing, are unlikely to be affected.

COVID-19

The Directors have considered the potential impacts on the Company of the COVID-19 emergency and, as at the date of signing the report, do not anticipate that this will have a significant impact on the Company's ability to continue as a going concern.

Energy Costs

The Group/Company is responsible for the cost and provision of lighting on the M25 motorway. The Directors have considered the potential impact current market conditions, specifically current conflict in the Ukraine, on cost and availability of energy for lighting. Currently the Directors do not anticipate these issues will impact the Group's/Company's ability to continue as a going concern.

Section 172 Companies Act 2006 Statement

The Directors have a duty to promote the success of the Company for the benefit of the shareholders as a whole and to describe how this duty has been performed with regard to those matters set out in Section 172 of the Companies Act 2006 ("Section 172").

The Directors have identified the Company's main stakeholders as the following:

- *The Company's shareholders, bondholders and credit providers*

Principal considerations of the board are to ensure that the Company is meeting shareholder, credit provider and bondholder expectations regarding its ability to meet its financing obligations. These are discussed at all board meetings, which are held regularly throughout the year. The board regularly discusses the obligations under the financing contracts, and how to ensure these are fulfilled. In addition, regular meetings are held with the funders, and attended by Directors, to keep them updated on matters as required.

Connect Plus (M25) Limited

Strategic Report for the Year Ended 31 March 2022 (continued)

Throughout the year the board has given due consideration during its discussions and decision-making of the matters set out in Section 172 and below is a description of how the Directors have had regard to these matters when performing their duties:

a) *the likely consequences of any decision in the long term*

The communication and reporting provided ensure that the board is fully informed and able to make appropriate decisions.

b) *the interests of the Company's employees,*

The Company has no employees. The Company does, however, pay due regard to the interests and safety of those who perform services on its behalf.

c) *the need to foster the Company's business relationships with suppliers, customers and others*

The Company has regular meetings with the Client, including discussions on performance, project processes, future plans and customer requirements. The Company ensures that regular communication is maintained between the parties to ensure that all obligations are met.

d) *the impact of the Company's operations on the community and the environment*

The Company is committed to minimising environmental disruption from its activities.

e) *the desirability of the Company maintaining a reputation for high standards of business conduct*

The Company is committed in its day to day activities and dealings with all parties to uphold the highest standard of business conduct and integrity.

f) *the need to act fairly as between members of the Company*

The members of the Company are represented at board meetings by their appointed directors. Conflicts on matters to be discussed are identified at each meeting of the board. Directors representing a member with a conflict of interest may therefore be excluded from any discussion or vote in regard to it.

The Directors are cognisant of their duty under Section 172 in their deliberation as a board on all matters. Decisions made by the board consider the interest of all the Company's key stakeholders and reflect the board's belief that the long-term sustainable success of the Company is linked directly to its key stakeholders.

Approved by the Board on 26 September 2022 and signed on its behalf by:



A J Campbell

Company secretary and director

Registered office

Connect Plus House
St Albans Road
South Mimms
Hertfordshire
EN6 3NP

Connect Plus (M25) Limited

Directors' Report for the Year Ended 31 March 2022

The Directors have pleasure in presenting their Annual Report together with the Financial Statements and auditor's report for the year ended 31 March 2022.

The following information has been disclosed in the Strategic Report.

- Principal risks and uncertainties.
- Indication of likely future developments in the business.
- Key performance indicators.

Going Concern

The Directors, as elaborated further in the Strategic Report, do not expect any significant change to the Company's activities to occur in the following financial year.

The Company operates a long term operations and maintenance contract for the M25 motorway. The Company's forecasts and projections, taking account of reasonable possible changes in trading performance, show that the Company has adequate resources to continue in operational existence for the foreseeable future.

The Company is meeting the key operational requirements of the PFI contract with National Highways and also operating within the required parameters of lenders. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

Review of the Business

The £11.4m year on year increase operating profit reflects the year on year increase in the operating activity, and therefore profits accruing, under the PFI contract.

Share Capital

The issued share capital at 31 March 2022 was £100 (2021: £100).

Results and Dividends

The audited financial statements for the year ended 31 March 2022 are set out on pages 13 to 30. The profit for the year after taxation was £37,268k (2021: £25,896k). The Directors paid a dividend in respect of the year ended 31 March 2022 of £36,593k (2021: £26,934k).

Connect Plus (M25) Limited

Directors' Report for the Year Ended 31 March 2022 (continued)

Directors of the Company

The Directors who held office during the year were as follows:

S Athanassiou

A Benhatta (resigned 31 August 2021)

P M Bentley

A J Campbell - Company secretary and director

A M Dean

J S Gordon

J E Guyett

R D Knight

B Love (appointed 9 December 2021)

S K Preece (appointed 23 September 2021)

J Pritchard (resigned 9 December 2021)

P A Skerman

B R Walker

S D Worthy

Connect Plus (M25) Limited

Directors' Report for the Year Ended 31 March 2022 (continued)

Streamlined Energy and Carbon Report ("SECR")

The Company has completed a SECR for the year to 31 of March 2022, this is the second SECR produced. During the year ended 31 March 2022 the Company estimates it:

- Consumed 32m kWh (2021: 35m kWh) of electric predominately for providing street lighting on the M25 Motorway.
- Consumed 0.01m kWh (2021: 0.01m kWh) equivalent of gas in the offices and depots associated with the M25 PFI project; and
- Consumed 7m kWh (2021: 8m kWh) equivalent energy in Direct Transport cost.
- The Scope 1 Emissions were 2,091 tonnes (2021: 2,378 tonnes) of Carbon Dioxide equivalent ("tCO₂e") a 13% decrease on the previous year;
- The Scope 2 Emissions were nil tonnes (2021: nil tonnes) of Carbon Dioxide equivalent ("tCO₂e"), no change on the previous year; and
- The resultant Intensity Ratio was 10.2 (2021: 14.2) which was 28% lower than the previous year.

The Company followed the 2013 UK government environment reporting guidance and has received an independent external assurance statement.

The Company addresses carbon emissions in a number of different ways:

- The Company purchased 100% of energy from 'Green' energy sources (wind, solar).
- During the year, the Company continued to work towards further reductions in energy including; undertaking Full Switch Off (Remove) and Part Night Lighting (Reduce) and installing more energy efficient LED road lighting (Replace).
- The Company is rolling out a 'Central Management System' for road lighting, for remote control of lit assets. This has provided asset specific energy control and monitoring and the flexibility to control the road lighting, either through dimming or Part Night Lighting, which has reduced energy consumption.

The data included in this report cover activities for Connect Plus M25 Ltd and also includes activities relating to Connect Plus Services ("CPS"). CPS is not a legal entity under the control of Connect Plus M25 Ltd, however CPS is exclusively sub-contracted to Connect Plus M25 Ltd and has been included to provide greater transparency of total energy consumption associated with Connect Plus M25 Ltd's activities.

Disclosure of Information to the Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all steps that they ought to have taken to make himself/herself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board on 26 September 2022 and signed on its behalf by:



.....
A J Campbell
Company secretary and director

Connect Plus (M25) Limited

Statement of Directors' Responsibilities in respect of the Strategic Report, the Directors' Report and the Financial Statements

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 apply them consistently;
- make judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Connect Plus (M25) Limited

Independent Auditor's Report to the Members of Connect Plus (M25) Limited

Opinion

We have audited the financial statements of Connect Plus (M25) Limited (the 'Company') for the year ended 31 March 2022, which comprise the Profit and Loss Account, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 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.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Connect Plus (M25) Limited

Independent Auditor's Report to the Members of Connect Plus (M25) Limited (continued)

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud (fraud risks) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and management as to the Company's high-level policies and procedures to prevent and detect fraud, and the Company's channel for whistleblowing, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reading Board meeting minutes; and
- Using analytic procedures to identify unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets and our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as cash flow assumptions in the operating model.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included but not limited to entries posted to unusual account combinations/seldom used accounts and post-closing entries; and
- Assessing significant accounting estimates for bias.

Connect Plus (M25) Limited

Independent Auditor's Report to the Members of Connect Plus (M25) Limited (continued)

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

•We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

•We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to use or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the Financial Statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic Report and Directors' Report

The Directors are responsible for the Strategic Report and the Directors' Report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic Report and the Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic Report and the Directors' Report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Connect Plus (M25) Limited

Independent Auditor's Report to the Members of Connect Plus (M25) Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Connect Plus (M25) Limited

Independent Auditor's Report to the Members of Connect Plus (M25) Limited (continued)

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Dan Gibson (Senior Statutory Auditor)
For and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Quayside House
110 Quayside
Newcastle Upon Tyne
United Kingdom
NE1 3DX

Date: 29 September 2022

Connect Plus (M25) Limited

Profit and Loss Account for the Year Ended 31 March 2022

	Note	2022 £ 000	2021 £ 000
Turnover	6	204,111	167,529
Cost of sales		<u>(153,713)</u>	<u>(128,447)</u>
Gross profit		50,398	39,082
Administrative expenses		<u>(17,442)</u>	<u>(14,751)</u>
Operating profit		32,956	24,331
Interest receivable and similar income	7	112,724	114,787
Interest payable and similar expenses	8	<u>(103,807)</u>	<u>(107,147)</u>
Profit before tax		41,873	31,971
Taxation	9	<u>(4,605)</u>	<u>(6,075)</u>
Profit for the financial year		<u>37,268</u>	<u>25,896</u>

All activities are from continuing operations in the United Kingdom.

Connect Plus (M25) Limited

Statement of Comprehensive Income for the Year Ended 31 March 2022

	2022 £ 000	2021 £ 000
Profit for the year	37,268	25,896
Unrealised gain/(loss) on cash flow hedges before tax	(95,672)	(13,922)
Income tax effect	33,803	(2,305)
Amortisation of cash flow hedge balances held in reserves	22,546	25,107
	(39,323)	8,880
Total comprehensive income for the year	(2,055)	34,776

The notes on pages 17 to 30 form an integral part of these financial statements.

Connect Plus (M25) Limited
(Registration number: 06683845)
Balance Sheet as at 31 March 2022

	Note	2022 £ 000	2021 £ 000
Non current assets			
Deferred tax	10	97,207	59,380
Current assets			
Debtors - amounts falling due within one year	11	83,504	107,150
Debtors - amounts falling due after one year	11	1,098,445	1,096,983
Investments due within one year		107,286	106,599
Cash at bank and in hand		<u>29,837</u>	<u>33,838</u>
		1,319,072	1,344,570
Creditors: Amounts falling due within one year	12	<u>(82,075)</u>	<u>(96,833)</u>
Net current assets (including £1,098,445k (2021: £1,096,983k) due after one year)		<u>1,236,997</u>	<u>1,247,737</u>
Total assets less current liabilities		1,334,204	1,307,117
Creditors: Amounts falling due after more than one year	12	<u>(1,574,368)</u>	<u>(1,508,633)</u>
Net liabilities		<u>(240,164)</u>	<u>(201,516)</u>
Capital and reserves			
Called up share capital	15	-	-
Cash flow hedge reserve		(248,868)	(209,545)
Profit and loss account		<u>8,704</u>	<u>8,029</u>
Total equity		<u>(240,164)</u>	<u>(201,516)</u>

Approved and authorised by the Board on 26 September 2022 and signed on its behalf by:



.....
A J Campbell
Company secretary and director

Connect Plus (M25) Limited

Statement of Changes in Equity for the Year Ended 31 March 2022

	Called up share capital £ 000	Cash flow hedge reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2020	-	(218,425)	9,067	(209,358)
Profit for the year	-	-	25,896	25,896
Other comprehensive income	-	8,880	-	8,880
Dividends	-	-	(26,934)	(26,934)
At 31 March 2021	-	(209,545)	8,029	(201,516)
	Called up share capital £ 000	Cash flow hedge reserve £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2021	-	(209,545)	8,029	(201,516)
Profit for the year	-	-	37,268	37,268
Other comprehensive income	-	(39,323)	-	(39,323)
Dividends	-	-	(36,593)	(36,593)
At 31 March 2022	-	(248,868)	8,704	(240,164)

The notes on pages 17 to 30 form an integral part of these financial statements.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Accounting policies

Connect Plus (M25) Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 06683845 and the registered address is Connect Plus House, St Albans Road, South Mimms, Hertfordshire, EN6 3NP.

A summary of the principal accounting policies of the Company, all of which have been applied consistently throughout the current and preceding year, is set out below.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000, unless otherwise stated.

The Company's immediate parent undertaking, Connect Plus (M25) Holdings Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Connect Plus (M25) Holdings Limited are available to the public and may be obtained from the address in note 17.

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:

- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Connect Plus (M25) Holdings Limited 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
- Certain 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 of the Companies Act 2006.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Measurement convention

The financial statements are prepared on the historical cost basis except that financial instruments classified as fair value through the profit or loss are stated at their fair value.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic Report and Directors' Report.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

1 Accounting policies (continued)

The Company had net liabilities of £240,164k as at 31 March 2022 and generated a profit for the year then ended of £37,268k. The main reason for the net liability position is due to the current market value of the Inflation rate swap financial liability.

The Directors have prepared cash flow forecasts covering a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides including the impact of COVID-19, the Company will have sufficient funds to meet its liabilities as they fall due for that period and to operate within the covenants on its borrowings.

Specifically, the directors have considered if, in modelled severe but plausible downside scenarios, the level of operational performance of the Company would lead to service failure points being awarded against the Company in accordance with the terms of the Company's contract with National Highways sufficient to cause an event of default under the terms of the Company's external borrowings. To date, taking into account the effect of COVID-19 and there has been no material adverse impact on the Company's cashflows, or the service levels provided and no indication of heightened risk of subcontractor failure. As a result, the cashflow forecasts indicate that, even in downside scenarios, the Company will be able to meet its liabilities as they fall due.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Service concession agreement

The Company is an operator of a PFI contract. The underlying asset is not deemed to be an asset of the Company under FRS102 section 34.1C, because the risks and rewards of ownership as set out in that Standard are deemed to lie principally with the Client.

During the construction phase of the project, all attributable expenditure was included in amounts recoverable on contracts and turnover. Upon becoming operational, the costs were transferred to the contract debtor. During the operational phase income is allocated between interest receivable and the finance debtor using a project specific interest rate. The remainder of the PFI unitary charge income is included within turnover in accordance with FRS102 section 23. The Company recognises income in respect of the services provided as it fulfils its contractual obligations in respect of those services and in line with the fair value of the consideration receivable in respect of those services.

Major maintenance costs are recognised on a contractual basis and the revenue in respect of these services is recognised when these services are performed.

Turnover

Revenue is recognised as turnover as it is earned and represents amounts due, exclusive of value added tax, in respect of services provided to National Highways.

Finance income and costs

Interest income and interest payable are recognised in the profit and loss account as they accrue, using the effective interest method.

Tax

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

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

1 Accounting policies (continued)

Current 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. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Financial instruments

Classification

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, reduced by allowances for estimated irrecoverable amounts and expected credit losses in the case of trade debtors.

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Term loans are initially stated at the amount of the net proceeds after deduction of related issue costs. The carrying amount is increased by the finance cost in respect of the accounting period and reduced by payments made in the period.

Investments realisable within one year held by the Company represent amounts held on deposit with a financial institution which are not available for withdrawal without penalty in under 24 hours. Investments realisable within one year are stated at amortised cost with the interest receivable being recognised at a constant rate over the life of the investment.

Cash and cash equivalents comprise cash balances and call deposits. The Company has secured loans which place restrictions on distribution of cash to shareholders and require the Company to hold various minimum cash balances at all times.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

1 Accounting policies (continued)

Impairment

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

1 Accounting policies (continued)

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (i) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- (ii) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Derivative financial instruments

Changes in the carrying value of financial instruments that are designated and effective as hedges of future cash flows ("cash flow hedges") are recognised directly in Other Comprehensive Income and any ineffective portion is recognised immediately in the Profit and Loss account. Amounts deferred in Other Comprehensive Income in respect of cash flow hedges are subsequently recognised in the Profit and Loss account in the same period in which the hedged item affects net profit or loss.

The Company applies the provisions of IFRS 9 to measure and recognise financial instruments. Financial Instruments are recognised in the Company's Balance Sheet when the Company becomes party to the contractual provisions of the instrument.

Other financial liabilities

Other financial liabilities, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Critical accounting judgements and key sources of estimation uncertainty

Judgements

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Hedging

The Directors consider the Company to have met the criteria for hedge accounting and the Company has therefore recognised fair value movements on derivatives in effective hedging relationships through other comprehensive income as well as the deferred tax thereon.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Service concession arrangement

The Company accounts for the project as a service concession arrangement. The Directors use their judgement in selecting the appropriate financial asset rate to be applied in order to allocate the income received between revenue, and capital repayment of and interest income on the financial asset; and also the service margin that is used to recognise service revenue. The Directors have also used their judgement in assessing the appropriateness of the future maintenance costs that are included in the Company's forecasts. The Directors will continue to monitor the condition of the assets and undertake a regular review of maintenance spend.

Valuation of derivative financial instruments

The Directors use their judgement in selecting a suitable valuation technique for derivative financial instruments. All derivative financial instruments are valued at the mark to market valuation provided by the derivative counterparty. In these cases, the Company uses valuation techniques to assess the reasonableness of the valuation provided by the derivative counterparty. These techniques use a discounted cash flow analysis based on market observable inputs derived from similar instruments in similar and active markets.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

2 Critical accounting judgements and key sources of estimation uncertainty (continued)

Cash flow hedge reserve amortisation upon termination

As part of the refinancing transaction in 2019, the Company repaid the existing commercial loan and issued fixed rate bonds. The Company terminated the existing interest rate swaps upon issuance of fixed rate debt. This is because the interest cash flows will be fixed from this point. The Directors have made a significant judgement that the interest payments on the bonds can be regarded as representing the forecast transactions for which the interest rate swap instruments were in a hedge relationship. Accordingly, the amounts in Hedging Reserve in respect of this is amortised to the Statement of Other Comprehensive Income as interest payable and similar expenses in future periods as the interest expense on the fixed loan is recorded in the Statement of Other Comprehensive Income.

Gain share

Under the concession agreement with National Highways ("NH"), the grantor, NH, is entitled to a share of the benefits that are generated upon an advantageous refinancing transaction in 2019 - the "NH gain share". The Company applies FRS102 with the accounting policy choice of applying IFRS 9. The payment of the gain share will be via a reduction in the Unitary charge. Under IFRS 9, transaction costs are included in the initial measurement of financial assets and financial liabilities, except for those measured at fair value through profit and loss. The Directors regard the gain share as a financing cost of the issuance of the new debt and modification of the European Investment Bank ("EIB") loan, and have apportioned the costs into the effective interest rate calculation of the amended EIB loan and the bond. The Directors consider that these incremental costs are those that would not have been incurred if the instrument had not been acquired, originated or issued.

EIB loan terms

The EIB loan has been modified as an integral part of the refinancing transaction in 2019. The Directors have considered both the qualitative and quantitative aspects of the changes to determine whether the modification is substantial or non-substantial. From the quantitative perspective, the Directors have performed the 10-percent test, assessing whether the net present value of the cash flows under the new terms, including any fees paid and discounted at the original effective interest rate differs by at least 10 percent from the net present value of the remaining cash flows under the original terms. The 10-percent test was not exceeded, based on which it was concluded that the modification is a non-substantial change and accordingly, the carrying amount of the liability is adjusted by discounting the modified future cash flows by the original effective interest rate and recognising any gain or loss immediately. In addition, the carrying amount of the liability is adjusted for fees and transaction costs incurred which are amortised over the remaining life of the modified liability. For the purpose of qualitative assessment, the directors believe there are no changes to indicate a different conclusion.

3 Auditors' remuneration

The audit fee for the Company was £47k (2021: £32k).

Amounts payable to KPMG LLP by the Company in respect of non-audit services were £Nil (2021: £Nil).

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 £ 000	2021 £ 000
Remuneration	<u>761</u>	<u>713</u>

All staff costs are borne by the shareholders of the company's immediate parent undertaking Connect Plus (M25) Holdings Limited which second their employees to the company and charge related service costs. The aggregate remuneration paid to the directors was £761k (2021: £713k). The remuneration of the highest paid director was £206k (2021: £202k).

5 Staff costs

All staff costs are borne by the shareholders of the Company's immediate parent undertaking Connect Plus (M25) Holdings Limited which second their employees to the Company and charge related service costs. The Company had 0 employees during the current or prior year.

6 Turnover

The analysis of the Company's turnover for the year by market is as follows:

	2022 £ 000	2021 £ 000
UK	<u>204,111</u>	<u>167,529</u>

7 Interest receivable and similar income

	2022 £ 000	2021 £ 000
Interest income on bank deposits	387	323
Interest imputed on contract debtor receivable	<u>112,337</u>	<u>114,464</u>
	<u>112,724</u>	<u>114,787</u>

8 Interest payable and similar charges

	2022 £ 000	2021 £ 000
Bank and bond interest payable	53,833	55,756
Interest payable to associated undertakings	22,049	22,483
Interest payable to fellow subsidiary undertaking	<u>27,925</u>	<u>28,908</u>
	<u>103,807</u>	<u>107,147</u>

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

9 Taxation

Tax charged/(credited) in the income statement

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax	8,560	6,655
UK corporation tax adjustment to prior periods	69	-
	<u>8,629</u>	<u>6,655</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(603)	(580)
Arising from changes in tax rates and laws	(3,421)	-
Total deferred taxation	<u>(4,024)</u>	<u>(580)</u>
Tax expense in the income statement	<u>4,605</u>	<u>6,075</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Profit before tax	<u>41,873</u>	<u>31,971</u>
Corporation tax at standard rate	7,956	6,074
Effect of expense not deductible in determining taxable profit (tax loss)	1	1
Deferred tax credit relating to changes in tax rates or laws	(3,421)	-
Increase in current tax from adjustment for prior periods	69	-
Total tax charge	<u>4,605</u>	<u>6,075</u>

The Company earns its results primarily in the UK, therefore the tax rate used for tax on profit on ordinary activities is the current UK corporation tax rate of 19% (2021: 19%).

For the year end 31 March 2022 a corporation tax rate of 19% has been applied in line with rates enacted by the Finance Act 2020 which was enacted on 22 July 2020.

Tax relating to items recognised in other comprehensive income or equity

	2022 £ 000	2021 £ 000
Deferred tax related to items recognised as items of other comprehensive income	<u>33,803</u>	<u>(2,305)</u>

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

10 Deferred tax and other provisions

	2022 £ 000	2021 £ 000
At 1 April	59,380	61,105
Profit and loss movement	4,024	580
Movement through other comprehensive income	33,803	(2,305)
At 31 March	<u>97,207</u>	<u>59,380</u>
	Fair value movement on financial instruments £ 000	FRS102 transitional adjustment £ 000
At 1 April 2021	58,872	508
Movement in the year	37,834	(7)
At 31 March 2022	<u>96,706</u>	<u>501</u>

A deferred tax asset has been recognised and is considered recoverable as sufficient taxable profits are expected to arise in the foreseeable future.

The opening deferred tax balances in the financial statements were measured at 19%. For the year end 31 March 2022, a tax rate of 25% has been applied in line with rates enacted by the Finance Act 2021 which was enacted on 24 May 2021. This gives rise to a credit to the profit and loss account of £3,421k and a credit to the SOCIE of £19,908k.

11 Debtors

	2022 £ 000	2021 £ 000
Due within one year		
Trade debtors	28,229	25,629
Amounts owed by related parties	35	15
Prepayments and other debtors	30,292	53,783
Contract debtor receivable	23,026	20,786
Corporation tax recoverable	1,922	6,937
	<u>83,504</u>	<u>107,150</u>
Due after one year		
Contract debtor receivable	<u>1,098,445</u>	<u>1,096,983</u>

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

12 Creditors

	2022 £ 000	2021 £ 000
Due within one year		
Secured bank loans	7,722	7,843
Loan from fellow subsidiary undertaking	18,434	18,943
Loans from associated undertakings	3,783	3,389
Trade creditors	8,639	776
VAT payable	5,790	6,614
Accruals	14,589	39,583
Amounts due to associated undertakings	23,118	19,685
	<u>82,075</u>	<u>96,833</u>
Due after one year		
Secured bank loans	366,767	374,489
Loan from fellow subsidiary undertaking	802,903	821,336
Loans from associated undertakings	185,698	189,481
RPI swap liability	219,000	123,327
	<u>1,574,368</u>	<u>1,508,633</u>

13 Loans and borrowings

	2022 £ 000	2021 £ 000
Secured bank loans	374,489	382,332
Loan from fellow subsidiary undertaking	821,337	840,279
Loans from associated undertaking	189,481	192,870
	<u>1,385,307</u>	<u>1,415,481</u>

The bank loans represent amounts borrowed under facility agreements with the EIB. In July 2018, the Company entered into a £892,575k loan agreement with Connect Plus (M25) Issuer plc, a fellow subsidiary undertaking, and the proceeds were used to repay the commercial bank syndicate facility and its associated interest swap contracts. These both bear interest at fixed rates and are repayable in instalments up to 2039.

The loans from associated undertakings bear interest at 12% and is payable to the an associated undertaking in semi-annual instalments up to 2039.

Loan Guarantees:

The secured bank loans are secured over the Company's rights, title and interest in certain assets and/or revenues, and over the immediate parent company's shares in the Company and have certain covenants attached.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

13 Loans and borrowings (continued)

Analysis of maturity of debt:

	2022 £ 000	2021 £ 000
Within one year or on demand	36,046	36,734
Between one and two years	45,199	36,047
Between two and five years	170,150	153,892
After five years	1,099,246	1,160,701
Effective interest rate adjustment	34,666	28,107
	<u>1,385,307</u>	<u>1,415,481</u>

14 Financial liabilities and instruments

Financial liabilities

	2022 £ 000	Non-current 2021 £ 000
RPI swaps	<u>219,000</u>	<u>123,327</u>

The RPI swaps settle on a six-monthly basis and they are hedged at an RPI rate of 2.410%.

Financial instruments

The carrying value of financial assets:

	2022 £ 000	2021 £ 000
Held at amortised cost	<u>1,121,471</u>	<u>1,117,769</u>

The carrying value of financial liabilities:

	2022 £ 000	2021 £ 000
Held at fair value	219,000	123,327
Held at amortised cost	<u>1,437,443</u>	<u>1,482,139</u>
At 31 March	<u>1,656,443</u>	<u>1,605,466</u>

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

14 Financial liabilities and instruments (continued)

Hedge accounting

The following table indicates the periods in which the cash flows associated with cash flow hedging instruments are expected to occur as required by FRS 102.29(a) for the cash flow hedge accounting models.

	2022 Carrying amount £ 000	2021 Carrying amount £ 000
Liabilities	219,000	123,327
	2022 Expected cash flows £ 000	2021 Expected cash flows £ 000
Less than 1 year	2,430	1,321
1 to 2 years	3,621	1,834
2 to 5 years	18,898	8,881
More than 5 years	289,713	122,579
At 31 March	314,662	134,615

15 Share capital

Allotted, called up and fully paid shares

	No.	2022 £	No.	2021 £
Ordinary shares of £1 each	100	100	100	100

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The Company's other reserves are as follows:

- The profit and loss reserve represents cumulative profits or losses, net of dividends paid.
- The hedging reserve represents the cumulative portion of gains and losses on hedging instruments deemed effective in hedging variable interest rate risk of recognised financial instruments. Amounts accumulated in this reserve are reclassified to profit or loss in the periods in which the hedged item affects profit or loss or when the hedging relationship ends.

Connect Plus (M25) Limited

Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

16 Related party transactions

The Company has taken advantage of the disclosure exemptions set out in FRS 102.33 and has not disclosed transaction with other members of the group headed by Connect Plus (M25) Holdings Limited as it is a wholly owned subsidiary of Connect Plus (M25) Holdings Limited, which prepares consolidated financial statements that are publicly available.

The company purchased road maintenance services totalling £72.3m (2021: £108.7m) from an unincorporated joint venture comprising Balfour Beatty Civil Engineering Limited, Atkins Limited and Egis Road Operations UK Limited. The outstanding balance as of 31 March 2022 was £9.5m (2021: £6.3m).

The company purchased project management services of £2.3m (2021: £1.8m) from Balfour Beatty Investments Limited and £1.3m (2021: £0.6m) from Transroute UK Limited. The balances outstanding as of 31 March 2022 were £Nil (2021: £Nil) with both Balfour Beatty Investments Limited and Transroute UK Limited.

The company incurred interest on loans of £22.0m (2021: £22.5m) to Connect Plus (M25) Intermediate Limited, a company owned by the group's controlling parties, and as 31 March 2022 owed Connect Plus (M25) Intermediate Limited £181.8m (2021: £189.5m) plus accrued interest of £11.2m (2021: £11.4m).

17 Parent and ultimate parent undertaking

The Company's immediate parent is Connect Plus (M25) Holdings Limited, incorporated in the United Kingdom and registered in England and Wales.

The ultimate controlling parties are Equitix Ltd, Dalmore Capital Ltd, Grosvenor Capital Management LP, Balfour Beatty plc and Egis Projects SA, with interests in the ratio 37.5:20:17.5:15:10, respectively.

The largest and smallest group in which these financial statements are consolidated is Connect Plus (M25) Holdings Limited, copies of whose financial statements are available from Connect Plus House, St Albans Road, South Mimms, Hertfordshire, EN6 3NP.

18 Subsequent events

As at the date of the approval of these accounts, there were no material post balance sheet events arising after the reporting date.