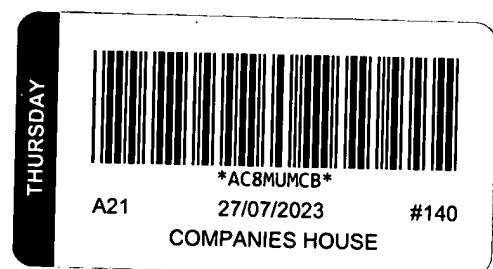


Arcadis (BAC) Limited

Annual Report and Financial Statements

Year ended 31 December 2022

Company Number: 07803869



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Corporate information

Directors

M B Alghita

S Bimpson

A G Brookes

M A Cowlard (resigned 10 August 2022)

T T Morgan

S Whittaker (appointed 1 December 2022)

Independent auditors

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

One Kingsway

Cardiff

CF10 3PW

Registered office

80 Fenchurch Street

London

EC3M 4BY

Strategic report

For the year ended 31 December 2022

The directors present their Strategic Report for the year ended 31 December 2022.

Principal activities

The principal activity of Arcadis (BAC) Limited ("the Company") is that of a holding company.

Review of the business

The result before taxation for the year amounted to £nil (2021: loss before taxation £6,893k).

Significant events since the balance sheet date are outlined in the Directors' Report below. The directors are not aware, at the date of this report, of any likely changes in the Company's activities in the foreseeable future.

Key performance indicators

- Result before taxation £nil (2021: loss before taxation £6,893k)
- Net assets £57,786k (2021: £57,786k)

Current trading and outlook

The Company did not trade in its own right, and the performance and financial position of the Company is considered satisfactory by the directors.

Principal risks and uncertainties

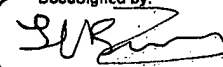
During the year, the Board of Arcadis UK (Holdings) Limited managed risk across the UK group, including the potential impact on the Company. In particular the Board ensures that, by managing client relationships effectively, income and profit streams are maintained and accordingly the demand for management services is maintained.

Working capital and business funding requirements are managed from available UK cash resources, or by making use of inter-company facilities as part of the Arcadis N.V. group.

The carrying value of the Company's investments is dependent upon the underlying performance of subsidiaries operations. Therefore, the value of the investments is subject to the interest, credit and market risks identified in the specific entities' financial statements.

Strategic report (continued)
For the year ended 31 December 2022

On behalf of the Board

DocuSigned by:

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S Bimpson
Director

20 July 2023

Directors' report

For the year ended 31 December 2022

The directors present their Report and the audited financial statements of the Company for the year ended 31 December 2022.

Future developments

The directors believe the prospects for the Company to be good, due to the strong position of the Company's subsidiary.

Dividends

The directors do not recommend payment of a dividend (2021: £Nil).

Financial risk management

As a holding company, the Company does not actively use financial instruments as part of financial risk management. It is exposed to the usual credit risk and cash flow risk through intercompany borrowing. The nature of its financial instruments means that they are not subject to price risk or liquidity risk.

The principal risks and uncertainties for the group are disclosed in the 2022 Annual Report of Arcadis N.V. (the ultimate parent undertaking and controlling party (pages 131 to 143)), available at: www.arcadis.com.

Post balance sheet events

There are no material events affecting the Company to be reported since the year end.

Going concern

The Board of Arcadis UK (Holdings) Limited, which manages risk across all its UK subsidiaries and businesses, has considered the Company's ability to continue as a going concern.

The Company continues to meet its day-to-day working capital requirements through its cash reserves, cash generated from its ordinary course of business and occasionally through borrowings. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves, forecasted cash generated through its activities and borrowing facilities. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Although the directors do not consider it necessary, additional financing can be made available by the ultimate parent, Arcadis N.V. Therefore, the Company continues to adopt the going concern basis in preparing its financial statements.

Employees

The Company did not have any employees during the year (2021: nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements are set out on page 1.

Directors' report (continued)

For the year ended 31 December 2022

Directors' interests

There were no significant contracts existing during, or at the end of, the year ended 31 December 2022, with the Company or any of its subsidiaries (other than service contracts) in which the Directors are, or were, materially interested.

Directors' remuneration

Directors' remuneration has been disclosed in note 4 of the financial statements.

Corporate responsibility

The Company's ultimate parent company is Arcadis N.V. Arcadis N.V.'s annual report for the year ended 31 December 2022 contains the Group's corporate responsibility report which details the strategy, objectives and performance the Company follows in maintaining high standards of corporate governance.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

Directors' report (continued)
For the year ended 31 December 2022

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

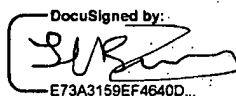
Directors' third-party indemnity provisions

The Company has in place qualifying third-party indemnity provisions for all directors of the Company and associated companies which were in force during the financial year and also at the date of approval of the directors' report.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, were appointed during the year and have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

On behalf of the board

DocuSigned by:

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S Bimpson
Director
20 July 2023

Independent auditors' report to the members of Arcadis (BAC) Limited

Report on the audit of the financial statements

Opinion

In our opinion, Arcadis (BAC) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of financial position as at 31 December 2022; the Statement of comprehensive income; the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, employment law, pension regulations, data privacy law and industry regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to potential management bias in accounting estimates and inappropriate journal posting to manipulate financial results. Audit procedures performed by the engagement team included:

- Enquiry of management, those charged with governance and the entity's in-house legal and compliance team around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness and testing accounting estimates (because of the risk of management bias)

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Jason Clarke (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
21 July 2023

Statement of comprehensive income
For the year ended 31 December 2022

		2022	2021
	Note	£'000	£'000
Impairment of investments in subsidiaries	6	-	(6,928)
Operating result/(loss)		-	(6,928)
Income from interests in associated undertakings		-	35
Result/(loss) before taxation		-	(6,893)
Income tax expense	5	-	-
Result/(loss) for the financial year		-	(6,893)
Total comprehensive expense for the year		-	(6,893)

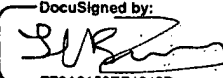
The above statement of comprehensive income should be used in conjunction with the accompanying notes.

Statement of financial position**As at 31 December 2022**

	Note	2022 £'000	2021 £'000
Fixed assets			
Investments	6	10,784	10,784
		10,784	10,784
Current assets			
Trade and other receivables	7	47,002	47,002
		47,002	47,002
Net current assets		47,002	47,002
Net assets		57,786	57,786
Equity			
Called up share capital	8	-	-
Share premium account		86,495	86,495
Accumulated losses		(28,709)	(28,709)
Total shareholders' funds		57,786	57,786

The above statement of financial position should be used in conjunction with the accompanying notes.

The financial statements on pages 10 to 21 were authorised for issue by the board of directors on 20 July 2023 and were signed on its behalf by:

DocuSigned by:

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S Bimpson
Director

Statement of changes in equity
For the year ended 31 December 2022

	Called up share capital £'000	Share premium account £'000	Accumulated losses £'000	Total shareholders' funds £'000
Balance at 1 January 2021	-	86,495	(21,816)	64,679
Loss and total comprehensive expense for the year	-	-	(6,893)	(6,893)
Balance as at 31 December 2021	-	86,495	(28,709)	57,786
Balance at 1 January 2022	-	86,495	(28,709)	57,786
Result and total comprehensive expense for the year	-	-	-	-
Balance as at 31 December 2022	-	86,495	(28,709)	57,786

The above statement of changes in equity should be used in conjunction with the accompanying notes.

Notes to the financial statements

For the year ended 31 December 2022

1. General Information and statement of compliance

The principal activity of the Company is that of a holding company.

The Company is a private company limited by shares and is incorporated and domiciled in England, United Kingdom. The address of its registered office is:

80 Fenchurch Street
London
EC3M 4BY

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The individual financial statements of Arcadis (BAC) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 101, "Reduced Disclosure Framework" ("FRS 101"). The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates.

It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a high degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in the relevant notes.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, *Share-based payment* (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, *Financial Instruments: Disclosures*.
- Paragraphs 91 to 99 of IFRS 13, *Fair value measurement* (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, *Presentation of financial statements* comparative information requirements in respect of:
 - i. paragraph 79(a)(iv) of IAS 1.

Notes to the financial statements (continued)

For the year ended 31 December 2022

2. Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

- The following paragraphs of IAS 1, *Presentation of financial statements*:
 - i. 10(d) (statement of cash flows);
 - ii. 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - iii. 16 (statement of compliance with all IFRS);
 - iv. 38A (requirement for minimum of two primary statements, including cash flow statements);
 - v. 38B-D (additional comparative information);
 - vi. 111 (cash flow statement information); and
 - vii. 134-136 (capital management disclosures).
- IAS 7, *Statement of cash flows*.
- Paragraphs 30 and 31 of IAS 8, *Accounting policies, changes in accounting estimates and errors* (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraphs 17 of IAS 24, *Related party disclosures* (key management compensation)
- The requirements in IAS 24, *Related party disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

2.2 Going concern

The Board of Arcadis UK (Holdings) Limited, which manages risk across all its UK subsidiaries and businesses, has considered the Company's ability to continue as a going concern.

The Company continues to meet its day-to-day working capital requirements through its cash reserves, cash generated from its ordinary course of business and occasionally through borrowings. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves, forecasted cash generated through its activities and borrowing facilities. The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Although the directors do not consider it necessary, additional financing can be made available by the ultimate parent, Arcadis N.V. Therefore, the Company continues to adopt the going concern basis in preparing its financial statements.

Notes to the financial statements (continued)

For the year ended 31 December 2022

2. Summary of significant accounting policies (continued)

2.3 New standards, amendments and interpretations adopted by the Company

There were no new standards, amendments or interpretations adopted by the Company during the year.

2.4 Consolidation

The Company is a wholly-owned subsidiary of Arcadis UK (Holdings) Limited and of its ultimate parent, Arcadis N.V. It is included in the consolidated financial statements of Arcadis N.V. which are publicly available.

Therefore, the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

2.5 Financial assets

Classification

The company classifies its financial assets in the following categories: at fair value through profit or loss; and amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Company considers this classification to be more relevant.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

(b) Financial assets at amortised cost

The Company classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows, and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

(c) Financial assets at fair value through profit or loss

The following financial assets are classified at fair value through profit or loss (FVPL)

- Debt investments that do not qualify for measurement at either amortised cost (see note 2.6(a) and (b) above.
- Equity investments that are held for trading, and
- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

Notes to the financial statements (continued)

For the year ended 31 December 2022

2. Summary of significant accounting policies (continued)

2.6 Investment in subsidiaries

Investments in subsidiaries are held at cost less accumulated impairment losses.

2.7 Investment in associated undertakings

Investments in associated undertakings are held at cost less accumulated impairment losses.

2.8 Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

2.9 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.10 Current and deferred income tax

The tax expense for the period comprises current and deferred tax.

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Notes to the financial statements (continued)

For the year ended 31 December 2022

2. Summary of significant accounting policies (continued)

2.10 Current and deferred income tax (continued)

However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.11 Dividend distribution

Dividend distributions to the Company's shareholders are recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

2.12 Critical accounting judgement and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and judgements have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are addressed below:

- (i) Impairment of investments in subsidiaries:

Investments in subsidiaries are stated at cost less accumulated impairment losses. Investments are assessed for indicators of impairment at the balance sheet date. Investments are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the asset, the estimated future value of the cash flows from the investment have been impacted.

3. Auditors' remuneration

Auditors' remuneration of £6k (2021: £5k) was paid by Arcadis LLP (a fellow subsidiary undertaking) on behalf of the Company in respect of audit work performed in the UK. No fees were payable to the Company's auditors and its associates for any other services in the current or prior years.

Notes to the financial statements (continued)**For the year ended 31 December 2022****4. Employees and directors****(a) Employees**

The company has no employees (2021: no employees).

(b) Directors

The directors did not receive any remuneration from this company during the year (2021: £nil).

No directors (2021: nil) have benefits under a defined benefit scheme.

There are no retirement benefits accruing to directors (2021: nil) under a defined contribution scheme.

No directors (2021: none) exercised share options during the year.

5. Income tax expense

Tax expense included in profit or loss:

	2022 £'000	2021 £'000
Current tax:		
- UK corporation tax on result/(loss) for the year	-	-
Total current tax	-	-

Tax expense for the year is the same as (2021: higher than) the standard rate of corporation tax in the UK for the year ended 31 December 2022 of 19.00% (2021: 19.00%). The differences are explained below:

	2022 £'000	2021 £'000
Result/(loss) before taxation	-	(6,893)
Result/(loss) before taxation multiplied by the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	-	(1,309)
Effects of:		
- Income not subject to tax	-	(7)
- Expenses not deductible for tax purposes	-	1,316
Tax credit	-	-

The tax rate for the current year is the same as the prior year.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

There is no unrecognised deferred tax.

Notes to the financial statements (continued)**For the year ended 31 December 2022****6. Investments**

	Cost of shares £'000	Impairments provision £'000	Net book value £'000
At 1 January 2021	102,751	(85,039)	17,712
Impairment charged	-	(6,928)	(6,928)
At 31 December 2021	102,751	(91,967)	10,784

	Cost of shares £'000	Impairments provision £'000	Net book value £'000
At 1 January 2022	102,751	(91,967)	10,784
At 31 December 2022	102,751	(91,967)	10,784

During the prior year, Health Innovation Partners (Torbay & South Devon) Limited, a subsidiary of Health Innovation Partners Limited, an associated undertaking, was disposed of, resulting in a gain on disposal of £35k.

The associated undertaking was held at £nil cost and £nil impairment provision.

Subsidiaries

Name	Holding type	Incorporated in	Principal activity	Equity Owned 2022 and 2021	Registered office
Arcadis LLP	Direct	UK	Natural and built asset design and consultancy	100%	80 Fenchurch Street London EC3M 4BY

Associated undertakings

Name	Holding type	Incorporated in	Principal activity	Equity Owned 2022 and 2021	Registered office
Health Innovation Partners Limited	Direct	UK	Building development and management services	50%	Kent House 14-17 Market Place London W1W 8AJ

Notes to the financial statements (continued)**For the year ended 31 December 2022****7. Trade and other receivables**

	2022	2021
	£'000	£'000
<i>Amounts falling due within one year:</i>		
Amounts owed by group undertakings	47,002	47,002

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Provisions for expected credit losses on amounts owned by group undertakings are immaterial.

8. Called up share capital

Ordinary shares of £1 each	Number	£
Allotted, called up and fully paid		
At 1 January 2021 and 2022	2	2
Issued during the year and prior period	-	-
At 31 December 2021 and 2022	2	2

All shares rank pari passu in all respects.

9. Related party transactions

The Company has taken advantage of the exemption from disclosing transactions and balances with other group undertakings as permitted by FRS 101.

10. Post balance sheet events

There are no material events affecting the Company to be reported since the year end.

Notes to the financial statements (continued)

For the year ended 31 December 2022

11. Controlling parties

The Company's immediate parent undertaking is Arcadis UK (Holdings) Limited which is the head of the UK group.

The ultimate parent undertaking and controlling party is Arcadis N.V., a company incorporated in the Netherlands.

The smallest and largest group in which the results of the Company are consolidated is that headed by Arcadis N.V. Registered address:

Arcadis N.V.
Gustav Mahlerplein 97
1082 MS Amsterdam,
The Netherlands

The consolidated financial statements of Arcadis N.V. are available at: www.arcadis.com.