W.S. ATKINS INTERNATIONAL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY NUMBER 01091953

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Business review and future developments

Nature of the business

W.S. Atkins International Limited's (the Company) core business is helping its clients to plan, design and enable capital programmes. The solutions provided range from upfront strategic advice to large outcome-focused programme management engagements. The Company is able to plan all aspects of its clients' projects, conduct feasibility studies and impact analyses covering technical, logistical, legal, environmental and financial considerations. The Company designs systems, infrastructure, processes, buildings and civil structures. The Company enables its clients' complex programmes by optimising procurement methods and managing supply chains to reduce timescales, cost and risk. The Company operates branches in Australia, France, Germany (dormant), Greece (dormant), Italy (dormant), Macau, Norway (dormant), South Africa (dormant), Sri Lanka and Turkey (dormant).

Objectives of the business and future developments

The Company's primary objective is to create value for stakeholders – including developing communities, providing outcomes for our clients, providing an attractive place to work and delivering financial returns. During the year, the Company was a member of the group of companies headed by SNC-Lavalin Group Inc. ("the Group").

There is continuing emphasis by the UK Government on value for money and despite scarce specialist resources in some areas, we are positioning for major programmes and making progress on our digital transformation journey and remain confident for the year ahead. Further details of the objectives and future developments for the Group are disclosed in the SNC-Lavalin Group Inc. financial statements for the year ended 31 December 2021 (note 21).

Principal risks and uncertainties

We continue to manage a number of potential risks and uncertainties which could have a material impact on our strategic and operational objectives. Many of these risks are common to other companies and we assess them regularly to establish the principal risks and uncertainties for the Group. The Group has measures in place to identify, monitor and, to a certain extent, mitigate such risks and uncertainties (further details are disclosed in the SNC-Lavalin Group Inc. financial statements for the year ended 31 December 2021 - note 21).

Ukraine

The Group is monitoring the situation in Ukraine and have added Russia and Belarus to the list of prohibited countries. There is also a travel ban in place to Ukraine and Russia (including Belarus). The Company has assessed the impact on its operations and is comfortable that there are no jobs or clients based in Ukraine, Russia or Belarus. The impact on supply chain is not considered material. The Company recognises the increased risk of Cyber-attacks and remains on high alert. Training in the form of e-learnings is made available for employees and IT services send out simulated phishing emails to all employees monthly and track employee performance in spotting these emails to help increase the Group's resilience to phishing attacks. This is in addition to other controls, for example controls around passwords which continue to be implemented and monitored.

Inflation

Rising inflation and supply chain disruptions are being monitored closely and there is currently no material impact on the Company's results or operations. Looking ahead, there is a risk that increased costs could impact the markets in which the Company operates, and future work and the Company will continue to monitor the situation closely and manage the resource base efficiently to align costs with revenues and ensure profitability of the Company.

COVID-19

The purpose of this statement is to provide an overview of the current known impact of COVID-19 as at the date of these Financial Statements.

Since the end of January 2022, the Company has returned to a "new normal"; office locations are all fully open and staff are encouraged to work flexibly in a hybrid way (a mix of office and home based working patterns, as appropriate). There have been no significant changes in engagement with clients and current work/pipeline opportunities as a result of Covid.

Going forward, the Company will continue to actively monitor the situation and may take further actions as necessary to ensure the health and safety of employees, and to manage the resource base to efficiently meet the needs of our clients.

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Results and dividends
Revenue
Revenue decreased by 25.8% to £41,677k compared to the prior year (31 December 2020: £56,197). Revenue often fluctuates between years depending on project mix. There was a decrease in revenue from projects in Infrastructure and Transportation. In addition the Oil and Gas segment was sold during the year (Note 2).

Operating (loss)/profit

Reported operating loss for the year was £236k, an improvement of 96.5% from a prior year operating loss of £6,662k. This is due to movement in project provisions.

Dividends
Dividend paid to the owners of the company during the year ended 31 December 2021 was £2,278k (31 December 2020: £nil).

Key performance indicators
The Company forms part of a sub section of the SNC-Lavalin Group Inc.'s EDPM and Nuclear sectors. The Group's devolved management teams uses a range of performance measures to monitor and manage their relevant sectors. As such, KPIs are not generated at company level, but are generated and monitored at sector level and below. Those that are particularly important in monitoring our progress in generating shareholder value are considered KPIs.

Our sectors KPIs measure past performance and also provide information and context to anticipate future events and, in conjunction with our detailed knowledge and experience of the segments in which we operate, allow us to act early and manage the business going forward. We track safety, volume, staff turnover, staff engagement, profitability, efficiency, secured workload and capacity.

Revenue, operating profit and margin provide indications as to the volume and quality of work we have undertaken. They measure both profitability and the efficiency with which we have turned operating profits into cash.

Work in hand measures our secured workload as a percentage of the budgeted revenue for the next year. Staff turnover is a measure of capacity and show us how effective we have been in recruiting and retaining our key resource.

	Year to 31 December 2021	Year to 31 December 2020	% change in year
Financial metrics			
Revenue	**41,677**	56,197	(25.8%)
Operating loss	**(236)**	(6,662)	96.5%

Energy and Carbon Reporting (SECR)
For periods commencing on or after 1 April 2019, large unquoted companies are required by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 (SI 2018/1155) to report on carbon emissions and energy use. They need to specifically report on the annual quantity of energy consumed from activities for which they are responsible. This reporting is being referred to as the Government's policy on Streamlined Energy and Carbon Reporting (SECR). W.S. Atkins International Limited has considered this requirement and is reporting on this UK energy use requirement in this Strategic Report.

GHG emissions and energy usage data for period 1 January 2021 to 31 December 2021 for the whole of the UK territory has been obtained from the Carbon Disclosure Project 2022 (CDP report). Aggregated figures for Scope 1, 2 and 3 were externally verified by Ernst & Young LLP and the 2022 CDP report is due to be published on the SNC-Lavalin website in due course.

As the data in the CDP report has been reported by territory, the Directors have apportioned the data across the relevant UK legal entities that are in scope for SECR. This apportionment has been made based on the proportion of average annual full-time equivalent UK headcount for WS Atkins International Limited over the whole of the UK territory headcount. Headcount is considered a good approximation, as there is a direct correlation between the number of staff and the relevant carbon produced by that member of staff, whether directly or indirectly.

WS Atkins International Limited purchases staff from other parts of the business and does not have any staff of its own based within the UK. Therefore, the Directors anticipate that none of the total SNC-Lavalin UK territory totals relates to WS Atkins International Limited.

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STRATEGIC REPORT (CONTINUED)
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Corporate sustainability
The Company is committed to acting responsibly towards all its stakeholders, and the Group is committed to taking a leadership position within its sector with regards to corporate sustainability. The Group's corporate sustainability strategy and performance is published on its website at www.snclavalin.com/en/sustainability.

S.172 Statement
As a result of the statutory reporting requirements imposed by The Companies (Miscellaneous Reporting) Regulations 2018, the directors of the Company are required to make an annual statement on how they have discharged their duty under Section 172 of the Companies Act 2006 to promote the success of the Company for the benefit of its members as a whole and with regard to broader stakeholder interests. This section of the Strategic Report states how the directors have had regard to the matters set out in Section 172(1) (a) to (f) during the year as required by Section 414CZA, of the Companies Act 2006.

The Company's board and directors take their responsibilities seriously and seek to act in good faith in the way most likely to promote the success of the Company in accordance with Section 172 of the Companies Act 2006 by continuously seeking to further improve engagement with stakeholders in order to identify matters of importance and to understand how these can be capitalised upon in order to further generate long-term Company value.

Regular engagement with the Company's stakeholders ensures relevant stakeholder issues are understood and considered appropriately. As the Company is a people business, its employees are amongst its most valuable stakeholders and each year, the Company seeks to understand employee views and considerations by undertaking an employee engagement survey which is made available to all employees in the UK. The Company also provides opportunities for employees to engage with members of the business at all levels (including senior managers and directors) throughout the year, outside the formal structure of the employee engagement survey. Further details regarding engagement with employees can be found in the Directors' Report and separate Employee Engagement statement (which forms part of the Directors' Report included within these Financial Statements).

Separately, the Company engages regularly with members of its pension scheme. Such engagements are designed to capture an understanding of employee views of the pension scheme and how it should be operated from a company-wide perspective. Individual members also have flexibility in making amendments to their pension scheme to suit them (such as varying contribution levels and making elections in relation to types of investments). Further details about the Company's pension scheme can be found in the Notes to the Financial Statements section of these Financial Statements.

Representatives of the Company (at varying levels) meet regularly with suppliers and customers with a view to understanding how the Company can continue to improve understanding and consideration of relevant matters at board level.

Employees and related stakeholders (such as relevant pension schemes) are considered in all decisions made by the Company at board level. In particular, during the year, the Company met on numerous occasions and discussed matters of material importance to the Company's strategy. One such topic of discussion which featured heavily during 2021 was banking structures. During such resolutions, the board discussed ways of strengthening the Company's banking structures to ensure the Company earns and retains cash in the most appropriate way to ensure long-term value for the Company and its stakeholders. The Company also considered and approved the restructuring and reorganisation of its wholly-owned US subsidiary, Atkins US Holdings Inc. and associated actions and approved the closure of its Italy branch and several profit repatriations.

The Company regularly engages with its branches around the world to ensure that local branch stakeholders (including employees, suppliers, customers, and regulators - where applicable), are considered appropriately.

Approved by the board of directors and signed on its behalf by:

Louise McAllister
Company Secretary
20 September 2022

W.S. ATKINS INTERNATIONAL LIMITED
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report together with the financial statements of W.S. Atkins International Limited (the Company) and the independent auditor's report, for the year ended 31 December 2021.

As permitted by legislation, the following information and disclosures that are required under company law are included in the Strategic report and are incorporated into this report by reference:

- review of the performance and future developments of the Company;
- principal risks and uncertainties;
- the amount that the directors recommend by way of a dividend; and
- branches operated by the Company outside the United Kingdom.

The Company is domiciled in England and Wales/Scotland and is a private limited company.

Post balance sheet events
W.S. Atkins International Limited Turkey branch was dissolved on 1 September 2022. There was no material impact on the financial statements.

Treasury policies and objectives
Throughout the year, the SNC-Lavalin Group Inc.'s (the Group) treasury function managed and monitored the funding requirements and financial risks in support of the Group's corporate objectives (further details are disclosed in the SNC-Lavalin Group Inc. consolidated Financial Statements for the year ended 31 December 2021) (see note 21).

Financial risk management
The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses hedging to manage certain risk *exposures but does not do so on a speculative basis.*

a) Market Risk
Financial instruments affected by market risk include intercompany balances, cash balances and derivative financial instruments.

i) Foreign exchange risk
The Company operates in a number of international territories. Foreign exchange risk arises from a proportion of commercial transactions undertaken in currencies other than the local functional currency and from financial assets and liabilities denominated in currencies other than the local functional currency.

The Group policy is for each business to undertake commercial transactions in its own functional currency whenever possible. When this is not possible, the Group manages its foreign exchange risk from future commercial transactions using appropriate derivative contracts arranged via the SNC-Lavalin Group Inc.'s treasury function. Cash flows are reviewed on a monthly basis throughout the duration of projects and the future cover amended as appropriate.

Trade receivables and payables denominated in currencies other than the local functional currency arise from commercial transactions and are therefore largely hedged as part of the process described above. This process is administered by Atkins Limited, a fellow undertaking in the Group. Remaining financial assets and liabilities denominated in currencies other than the local functional currency include bank accounts and intercompany funding balances. Intercompany funding balances may be hedged using derivative contracts arranged via Group Treasury or may themselves be designated as hedging instruments used to hedge the Company's investments in foreign operations.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ii) Interest rate risk
The Company's exposure to interest rate risk arises from interest bearing intercompany loan balances and cash and cash equivalents. The majority of these items are at floating rates of interest; changes in the interest rate results in changes in interest-related cash flows. No interest hedging is currently undertaken by the Company as the risk is eliminated at a Group level.

iii) Price risk
Price risk is the risk that a decline in the value of assets adversely impacts the profitability of the Company. This risk is not material for the Company.

b) Credit risk

Credit risk is the risk that the Company will suffer financial loss as a result of counterparties defaulting on their contractual obligations.

Credit risk arises from cash and cash equivalents and deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions, with the maximum exposure to the risk equivalent to 100% of the carrying value disclosed in the Company's Balance Sheet at 31 December. The Company does not hold any collateral as security. The Company's policy is that cash should not be concentrated with any one counterparty.

For trade and other receivables, concentration of credit risk is very limited due to the Company's broad customer base. An assessment of credit quality of the customer is made where appropriate using a combination of external rating agencies, past experience and other factors. In circumstances where credit information is unavailable or poor, the risk is mitigated primarily by the use of advance payments resulting in positive cash flows. Exposure and payment performance are monitored closely both at individual project and client level, with a series of escalating debt recovery actions taken where necessary. In view of current economic circumstances, additional management attention remains focused on the recovery of debtors. There is no recent history of default.

Any surplus cash is invested by the SNC-Lavalin Group Inc.'s treasury function in interest bearing current accounts, term deposits and money market deposits, choosing instruments with appropriate maturities or sufficient liquidity to provide sufficient headroom.

c) Liquidity Risk
The Company funds its activities through cash generated from its operations and intercompany balances. The Company's borrowing facilities are part of wider Group facilities. Cash flow forecasting is performed in the operating entities of the Company and aggregated by a central finance department. The SNC-Lavalin Group Inc.'s treasury function monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs and to meet the Company's commitments as they fall due.

Critical accounting policies
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 requiring a higher degree of judgement or complexity are revenue recognition and joint arrangements. The area where assumptions and estimates are significant to the financial statements is impairment of investment in subsidiaries, specifically the assumptions underlying the estimation of recoverable amounts of assets in impairment tests. The relevant accounting policy and note to the financial statements are denoted by a ♦ in the case of significant judgements and a ✪ in the case of significant assumptions and estimates.

Climate change reporting
The Company provides services to its clients and uses people with technical skills to deliver these services. As a result, the company does not have significant investments in property, plant and equipment and therefore limited risk of physical impacts resulting from climate change. The Company has shown its ability to work flexibly, with a mix of office/site and home based working, and as such it believes any physical impacts of climate change will not significantly impact its ability to deliver services to clients. In fact, addressing climate change has resulted in a number of opportunities for the Company as government and private clients look to invest in low carbon and climate change solutions.

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DIRECTORS' REPORT (CONTINUED)
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Climate change reporting (continued)
The company has not identified any significant impact on financial statement assumptions and estimates due to climate change.

Directors
The directors who served during the year and up to the date of signing these financial statements are included in the table below.

Name	Appointed	Resigned
M S Anderson		17 May 2021
C Ball		
S G Cole		
A J Cullens		
C P Dedigama		18 August 2021
C Gray	18 August 2021	
P D Hoare		
J Jarman	17 May 2021	
C W Law	08 April 2022	
C K Li		08 April 2022
M McNicholas		
R L Robinson		

Indemnification of and insurance cover for directors and officers
Directors and officers of the Company benefit from directors' and officers' liability insurance cover in respect of legal actions brought against them. In addition, directors of the Company are indemnified in accordance with article 80 of the Company's articles of association to the maximum extent permitted by law, such indemnities being qualifying third-party indemnities. Neither the insurance nor the indemnities provide cover where the relevant director or officer has acted fraudulently or dishonestly.

Political donations and expenditure
The Company made no political donations and incurred no political expenditure during the year ended December 2021 (year ended 31 December 2020: £nil).

People Engagement
This statement forms the 'Employee Engagement' statement for the Company required pursuant to The Companies (Miscellaneous Reporting) Regulations 2018. During the year, the Company had a low number of employees, however it is the parent company to a group of undertakings which, collectively, meets the threshold required to report. Our people give us our competitive edge. We trust them to go above and beyond for the Group and our clients. Their individual talent and our collective expertise help us to exceed client expectations and meet our strategic objectives. We review our human resources metrics regularly and, as part of this process, we consider a range of measures such as headcount, succession planning, retention rates and employee engagement. We also review progress against both our Group and sector people strategies, ensuring we are able to forecast the future skills and resourcing needs to support our growth plans.

During the year, the Group conducted its annual employee engagement survey to gauge the views of our people around the world (including in the UK). Following the conclusion of the survey, results were anonymously collated, and trends identified. Further information about how the Group engages with its employees can be found in the Strategic Report and included as a part of these financial statements.

During 2021 the Group limited access to its UK offices and mandated that employees should continue to work from home where appropriate, in order to ensure employees' safety in line with continued government lockdown measures required to gain control of COVID-19. Following the lifting of lockdown, the Group implemented the gradual return to the full opening of office locations whilst continuing to support a hybrid, flexible working pattern, where appropriate, culminating in a full re-opening of all UK office locations in September 2021. The Group continues to monitor the situation and any changes to government guidance.

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DIRECTORS' REPORT (CONTINUED)
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Diversity and inclusion

The Group is committed to building and maintaining a diverse organisation to maximise the skills available in the regions in which it operates. In 2021, the Group launched its Equality, Diversity & Inclusion (ED&I) action plan and continues to work towards achieving its goals and aims to create and maintain an inclusive culture across all areas of the business.

Policies in force continue to be updated to ensure this commitment is implemented from the point of attraction and recruitment and continues throughout an individual's employment. Our people are supported to develop to their full potential regardless of sex, race, age, religion or belief, disability, sexual orientation, gender identity, marriage and civil partner status, pregnancy, parental obligations or background, subject to the laws of the jurisdictions in which the Group operates.

The Group encourages recruitment, training, career development and promotion on the basis of aptitude and ability, without regard to disability. The Group is also committed to retain and retrain, as necessary, employees who become disabled during the course of their employment.

In addition, the Group has encouraged the creation of a number of employee focused networks which provide employees with a forum directly linked to senior management. Such networks have been instrumental in shaping and developing employee policies, all with the aim of providing employees with the best possible working environment.

Supplier and customer engagement

During 2021, and despite the logistical challenges presented by COVID-19, directors and senior management continued to engage with customers and suppliers across a wide range of the Company's markets and industries in order to understand their needs and how the Company can support them to meet their obligations towards the Company. The Company recognises and acknowledges that without the support of its suppliers and customers during the year, it would be difficult to achieve long-term success and sustainable growth. In addition, regular engagement with customers allows the Company to challenge itself to deliver and shape solutions which encourage the growth of our customers and suppliers. It also helps position the Company to be ready and available to deliver for its customers when the economic recovery begins.

The Company's robust governance contracts process provides a framework for measuring supplier and customer success and encourages regular engagement with customers and suppliers.

Further information about how the Company engages with its customers and suppliers can be found in the Strategic Report and separate Corporate Governance statement included in these Financial Statements.

Directors' statement of responsibilities

The directors are responsible for preparing the Annual report and the Financial Statements in accordance with applicable law and regulations.

Company Law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the Company's Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 year.

In preparing these financial statements, the directors are required to:

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

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Directors' statement of responsibilities (continued)

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 Annual Report and Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of audit information

The directors confirm that, as at the date this report was approved, so far as each director is aware there is no relevant audit information of which the Company's independent auditor is unaware and that he or she has taken all the reasonable steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to ensure that the Company's independent auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Going concern

The Company's most recent budget and work in hand, taking account of reasonably possible changes in trading performance and modelling of downside scenarios, show that the Company will be able to operate within the level of its current facilities. However, the Company is in a net current liability position largely due to funding from other UK Companies at the time of acquisition of the Company's investments or loans created to pay dividends up the structure.

The directors have considered the arrangement with Atkins Limited, collecting trade receivables on behalf of the Company in exchange for an intercompany balance, and concluded that there is minimal risk of default on these balances due from Atkins Limited because they are all wholly owned subsidiaries within the same Group and have common directors. In addition, Atkins Limited is in a good financial position and has the ability to repay its creditors.

Due to the net current liability position, SNC-Lavalin (GB) Holdings Limited has given an undertaking to the directors of the Company that it will provide the necessary financial support for the Company to pay its debts as and when they fall due for a period of at least 12 months from the approval of the financial statements. An assessment of SNC-Lavalin (GB) Holdings Limited's ability to support its subsidiaries has been performed and the directors are satisfied that it has the financial ability to do is. It is on this basis that the directors have concluded that it is appropriate to adopt the going concern basis in preparing the financial statements.

Independent auditors

The Company's auditor, Deloitte LLP, has indicated their willingness to continue in office for a further year.

Approved by the board of directors and signed on its behalf by:

Louise McAllister
Company Secretary
20 September 2022

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.S. ATKINS INTERNATIONAL LIMITED

Report on the audit of the financial statements
Our opinion
In our opinion, the financial statements of W.S. Atkins International Limited (the Company):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the balance sheet;
- the cash flow statement;
- the statement of changes in equity; and
- the notes 1 to 21 to the financial statements.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including [Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.S. ATKINS INTERNATIONAL LIMITED (CONTINUED)

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of this matter.

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

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

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud
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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation, The General Data Protection Regulation, UK Modern Slavery Act, Bribery Act, Health and Safety At Work Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.S. ATKINS INTERNATIONAL LIMITED (CONTINUED)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)

We discussed among the audit engagement team including relevant internal specialists, including tax and IT, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address them are described below:

- Revenue recognition due to the risk that:
- There is improper identification of the contract under IFRS 15;
- Recording of variable consideration under IFRS 15 is not accurate or the Company is not entitled to the consideration; and
- The estimated forecast cost to complete is inaccurate, including contingencies and reserves.

To address these risks we performed the following procedures for a sample of revenue contracts:

- Obtained an understanding of relevant controls over project forecasts, and testing the operating effectiveness of these controls;
- Reconciled revenue to signed contracts and variation orders;
- Validated the amount of revenue recorded in the year is appropriate based on the terms and conditions specified in the underlying revenue contracts;
- Challenged the assumptions made in calculating project forecasted revenue including claims, change orders, liquidated damages and penalties through inquiries with project managers and analysis of contract terms and purchase orders; and
- Challenged the assumptions made in calculating project forecast costs, including contingencies and reserves through inquiries with project managers, calculation of average run rate and inspection of supporting documentation.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and both in-house and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in [the strategic report or] the directors' report.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.S. ATKINS INTERNATIONAL LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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

James Wright FCA (Senior statutory auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
20 September 2022

W.S. ATKINS INTERNATIONAL LIMITED

COMPANY NUMBER 01091953

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Revenue	2	**41,677**	56,197
Cost of sales		**(39,662)**	(60,078)
Gross profit/(loss)		**2,015**	(3,881)
Administrative expenses		**(2,251)**	(2,781)
Operating loss	3	**(236)**	(6,662)
Impairment of investments	11	**(27,286)**	-
Impairment of intercompany loans	14	**(2,079)**	(1,905)
Loss on divestments		**(776)**	-
Income from shares in Group undertakings	6	**11,599**	3,044
Loss before interest and tax		**(18,778)**	(5,523)
Finance income	7	**16,004**	19,027
Finance costs	7	**(2,198)**	(2,898)
Net finance income	7	**13,806**	16,129
(Loss)/profit before tax		**(4,972)**	10,606
Income tax expense	8	**(963)**	(839)
(Loss)/profit for the year		**(5,935)**	9,767

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
(Loss)/profit for the year	**(5,935)**	9,767
Other comprehensive income/(expense)		
Items that may be reclassified subsequently to profit or loss		
Net differences on exchange	**256**	(192)
Total items that may be reclassified subsequently to profit or loss	**256**	(192)
Other comprehensive income/(expense) for the year, net of tax	**256**	(192)
Total comprehensive (expense)/income for the year	**(5,679)**	9,575

The notes on pages 17 to 39 are an integral part of these financial statements.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	31 December 2021 £k	31 December 2020 £k
Assets			
Non-current assets			
Property, plant and equipment	10	**218**	308
Investments	11	**745,363**	772,877
Derivative financial instruments		**237**	278
Deferred tax assets	12	**376**	275
Intercompany loan receivables	13	**150,998**	-
		897,192	773,738
Current assets			
Trade and other receivables	14	**212,192**	368,592
Cash and cash equivalents		**3,107**	4,131
Derivative financial instruments		**-**	25
Income tax asset		**34**	-
		215,333	372,748
Liabilities			
Current liabilities			
Trade and other payables	15	**(521,844)**	(544,605)
Lease liabilities		**-**	(6)
Income tax liabilities		**-**	(23)
Derivative financial instruments		**-**	(3)
		(521,844)	(544,637)
Net current liabilities		**(306,511)**	(171,889)
Non-current liabilities			
Derivative financial instruments		**(1,499)**	(1,898)
Lease liabilities		**-**	(1)
Deferred tax liabilities	12	**(1,565)**	(1,545)
		(3,064)	(3,444)
Net assets		**587,617**	598,405
Capital and reserves			
Ordinary shares	16	**153**	153
Share premium account	16	**446,581**	446,581
Other reserves	16	**4,483**	4,483
Retained earnings	16	**136,400**	147,188
Total equity		**587,617**	598,405

Company number 01091953

The financial statements on pages 13 to 39 were approved by the board of directors on 20 September 2022 and signed on its behalf by:

J Jarman
Director

The notes on pages 17 to 39 are an integral part of these financial statements.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Year ended 2021 £'000s	Year ended 2020 £'000s
Cash flows from operating activities			
Cash (used in)/generated from continuing operations	17	**(1,450)**	**38,406**
Interest received		16,004	19,027
Interest paid		(2,198)	(2,898)
Income tax (paid)/received		(949)	551
Net cash generated from operating activities		**11,407**	55,086
Cash flows from investing activities			
Purchases of property, plant and equipment	10	(1)	(203)
Dividends received		7,453	3,044
Investments in subsidiaries	11	(26)	(4,261)
Net cash generated from/(used in) from investing activities		**7,426**	(1,420)
Cash flows from financing activities			
Decrease in intercompany loans		(19,857)	(54,433)
Net cash used in financing activities		**(19,857)**	(54,433)
Net decrease in cash and cash equivalents		**(1,024)**	(767)
Cash and cash equivalents at beginning of period		4,131	4,898
Cash and cash equivalents at end of period		**3,107**	4,131

The notes on pages 17 to 39 are an integral part of these financial statements.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Ordinary shares	Share premium account	Other reserves	Retained earnings	Total equity
	£k	£k	£k	£k	£k
Balance at 1 January 2020	153	446,581	4,517	137,579	588,830
Profit for the year	-	-	-	9,767	9,767
Other comprehensive income for the year	-	-	(34)	(158)	(192)
Total comprehensive income for the year	-	-	(34)	9,609	9,575
Balance as at 31 December 2020 and 1 January 2021	**153**	**446,581**	**4,483**	**147,188**	**598,405**
Profit for the year	-	-	-	(5,935)	(5,935)
Other comprehensive income for the year	-	-	-	256	256
Total comprehensive income for the year	-	-	-	(5,679)	(5,679)
Dividends to owners of the parent (note 9)	-	-	-	(5,109)	(5,109)
Total contributions from owners of the parent recognised directly in equity	-	-	-	(5,109)	(5,109)
Balance at 31 December 2021	**153**	**446,581**	**4,483**	**136,400**	**587,617**

Other reserves represent capital contributions made by other Group companies.

The notes on pages 17 to 39 are an integral part of these financial statements.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is domiciled in England and Wales. Its registered office is Woodcote Grove, Ashley Road, Epsom, Surrey, KT18 5BW, England. The nature of the Company's operations and its principal activities are set out in the strategic report on page 1. 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, including the application of new standards and interpretations, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 - Application of Financial Reporting Requirements issued by the Financial Reporting Council. The financial statements of the Company have therefore been prepared in accordance with Financial Reporting Standard 101 - Reduced Disclosure Framework (FRS 101). The financial statements have been prepared under the historical cost convention, except for certain financial instruments measured at fair value, and in accordance with the Companies Act 2006.

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 requiring a higher degree of judgement or complexity are revenue recognition and joint arrangements. The area where assumptions and estimates are significant to the financial statements is impairment of investment in subsidiaries, specifically the assumptions underlying the estimation of recoverable amounts of assets in impairment tests. The relevant accounting policy and note to the financial statements are denoted by a ◆ in the case of significant judgements and a ✪ in the case of significant assumptions and estimates.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under the standard. Where required, equivalent disclosures are given in the group financial statements of SNC-Lavalin Group Inc., which are available to the public and can be obtained as set out in note 21.

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

- 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: paragraph 79(a)(iv) of IAS 1; paragraph 73(e) of IAS 16, Property, plant and equipment; and paragraph 118(e) of IAS 38, Intangible assets (reconciliations between the carrying amount at the beginning and end of the year);
- The following paragraphs of IAS 1, Presentation of financial statements:
  10(d) (statement of cash flows); 16 (statement of compliance with all IFRS); 38A (requirement for minimum of two primary statements, including cash flow statements); 38B-D (additional comparative information); 111 (cash flow statement information); 134-146 (capital management disclosures);
- 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);
- Paragraph 17 of IAS 24, *Related party disclosures* (key management personnel);
- The requirements in IAS 24, *Related party disclosures*, to disclose related party transactions entered into between two or more members of a group; and
- Paragraphs 130f, 134d to 134f and 135c to 135e of IAS 36, Impairment of assets.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

New standards, amendments and IFRIC interpretations

There are no new standards and no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have had a material impact on the Company's financial statements.

Going concern

The Company's most recent budget and work in hand, taking account of reasonably possible changes in trading performance and modelling of downside scenarios, show that the Company will be able to operate within the level of its current facilities. However, the Company is in a net current liability position largely due to funding from other UK Companies at the time of acquisition of the Company's investments or loans created to pay dividends up the structure.

The directors have considered the arrangement with Atkins Limited, collecting trade receivables on behalf of the Company in exchange for an intercompany balance, and concluded that there is minimal risk of default on these balances due from Atkins Limited because they are all wholly owned subsidiaries within the same Group and have common directors. In addition, Atkins Limited is in a good financial position and has the ability to repay its creditors.

Due to the net current liability position, SNC-Lavalin (GB) Holdings Limited has given an undertaking to the directors of the Company that it will provide the necessary financial support for the Company to pay its debts as and when they fall due for a period of at least 12 months from the approval of the financial statements. An assessment of SNC-Lavalin (GB) Holdings Limited's ability to support its subsidiaries has been done and the directors are satisfied that it has the financial ability to do is. It is on this basis that the directors have concluded that it is appropriate to adopt the going concern basis in preparing the financial statements.

Basis of consolidation

The Company is an indirect wholly-owned subsidiary of SNC-Lavalin Group Inc., and is included in its consolidated financial statements, which are publicly available. Therefore, the Company is exempt, by virtue of section 401 of the Companies Act 2006, from the requirements to prepare consolidated financial statements. The address of the ultimate parent's registered office is 455 Boul. René-Lévesque Ouest, Montréal, Québec, H2Z 1Z3, Canada.

These financial statements are separate financial statements.

Foreign currency transactions and translation

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in pounds sterling (£), which is also the Company's functional currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement. All other foreign exchange gains and losses are presented in the Income Statement within other operating income/(expense).

The results and financial position of all Company entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of the balance sheet;
- income and expenses are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

- **Joint arrangements**

The Company applies IFRS 11 to all joint arrangements. Under IFRS 11, a joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. The Company classifies its interests in joint arrangements as either joint ventures or joint operations.

Revenue

Revenue from long-term contracts is measured at fair value and comprises the value of work performed during the period calculated in accordance with the Company's policy for contract accounting set out below. Revenue from other contract activities represents fee income receivable in respect of services provided during the period.

Under certain services contracts, the Company manages customer expenditure and is obliged to purchase goods and services from third party contractors and recharge them to the customer at cost. The amounts charged by contractors and recharged to customers are excluded from revenue and cost of sales where the Company is acting solely as an agent. Receivables, payables and cash relating to these transactions are included in the Company balance sheet.

- **Revenue recognition and contract accounting**

The Company enters into a number of different forms of contracts with clients, the most common being fixed price lump sum contracts and time and materials contracts based on hourly rates. Some of the fixed price lump sum contracts may be linked to the capital cost of works or a profit/(loss) sharing mechanism.

Revenue is recognised on the majority of the Company's contracts on a percentage completion basis when the outcome of a contract or project can be reasonably foreseen. Under the percentage completion method, the percentage of the total forecast revenue reported at any point in time is calculated based upon the proportion of total costs incurred to date as a percentage of total forecast costs or, in some cases, based upon the estimated physical per cent complete of the total work to be performed under the contract. The directors consider that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under IFRS 15.

In some cases, a margin provision is then made, depending on how far progressed each project is and the risk profile of the project. In addition, provision is made in full for estimated losses and, where the outcome of a contract cannot be reasonably foreseen, profit is taken on completion.

Any estimated variable consideration (variations on contracts) are included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

The Company's contract accounting policy is central to how the Company values the work carried out in each financial year.

The value of contract work in progress comprises the costs incurred on contracts plus an appropriate proportion of overheads and attributable profit. Fees invoiced on account are deducted from the value of work in progress and the balance is separately disclosed in trade and other receivables as amounts recoverable on contracts, unless such fees exceed the value of the work in progress on any contract in which case the excess is separately disclosed in trade and other payables as fees invoiced in advance.

This policy requires forecasts to be made on the projected outcomes of projects. These forecasts require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. While the assumptions made are based on professional judgements, subsequent events may mean that estimates calculated prove to be inaccurate, with a consequent effect on the reported results.

Interest income

Interest income is recognised on a time apportionment basis using the effective interest method. When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loans is recognised using the original effective interest rate.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

Dividend income

Dividend income is recognised when the right to receive payment is established.

Dividend distribution

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

Pre-contract costs

Costs incurred before it becomes probable that a contract will be obtained are charged to expenses. Directly attributable costs incurred after that point are recognised in the Balance Sheet and charged to the Income Statement over the duration of the contract or, in the case of PPP/PFI concessions, over the same period as the Company's interest in any special purpose company (SPC) charges the equivalent capitalised amounts to the income statement.

Bid recovery fees are deferred and credited to the income statement over the duration of the contract or, in the case of PPP/PFI concessions, over the same period as the Company's interest in any SPC credits the equivalent capitalised amounts to the income statement. Where the Company's interest in any SPC reduces, the deferred bid recovery fees are credited to the income statement in proportion to the reduction of the Company's interest.

Income tax

Current and deferred income taxes are recognised in the income statement for the period except where the taxation arises as a result of a transaction or event that is recognised in other comprehensive income or directly in equity. Income tax arising on transactions or events recognised in other comprehensive income or directly in equity is charged or credited to other comprehensive income or directly to equity 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 and its branches operate and generate taxable income.

The Company is subject to tax and judgement is required in determining the Company provision for income taxes. The Company provides for potential liabilities in respect of uncertain tax positions where additional tax may become payable in future periods and such provisions are based on management's assessment of exposures.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. However, deferred tax is not accounted for if it arises 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 tax of £1,565k (2020: £1,545k) has been provided for on all unremitted earnings due for repatriation. No further deferred tax is provided on unremitted earnings of overseas branches, subsidiaries and joint ventures.

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 tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle balances on a net basis.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

Property, plant and equipment
Property, plant and equipment is carried at cost less accumulated depreciation and impairment. Cost comprises purchase price after discounts and rebates plus all directly attributable costs of bringing the asset to working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Depreciation is calculated using the straight line method to write off the cost less residual value of each asset over its estimated useful life as follows:

Plant, machinery and vehicles	3 to 12 years

The assets' useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within administrative expenses in the income statement.

Investments in subsidiaries and associated undertakings
Investments in subsidiaries, joint ventures and associates are stated at cost less impairments. Any impairment is charged to the income statement. Impairment testing for investments in subsidiaries is described below.

Impairment of non-financial assets
Assets that have an indefinite useful life, such as goodwill, are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Financial assets
All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and measurement
The Company has debt instruments that meet the following conditions and are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

Financial assets (continued)

Classification and measurement (continued)

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at fair value through other comprehensive income (FVTOCI). For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

The Company also has derivative financial assets which, by default, are subsequently measured at fair value through profit or loss (FVTPL) as detailed below.

Impairment of financial assets

The Company always recognises lifetime expected credit losses (ECLs) for debt instruments, trade debtors and contract assets. The ECLs for trade debtors and contract assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for any specific factors, where applicable.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account and does not reduce the carrying amount of the financial asset in the balance sheet.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

The Company has derivative financial liabilities which are classified as at FVTPL.

The Company has debt instruments that are measured subsequently at amortised cost using the effective interest rate method since they are not held for trading and have not been designated at FVTPL.

W.S. ATKINS INTERNATIONAL LIMITED
COMPANY NUMBER 01091953
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

Derivative financial instruments

The Company enters into a variety of derivative financial instruments (foreign exchange forward contracts) to manage its exposure to foreign exchange rate risk. The company does not apply hedge accounting on foreign exchange forward contracts taken out to hedge the risk on contract cash flows. It does, however, apply hedge accounting on those taken out to hedge the risk of cash flows related to intercompany loans and this has been designated as a fair value hedge.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship. A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Progress in and risks arising from the transition to alternative benchmark interest rates

The transition from interbank offered rates ("IBORs") to alternative benchmark interest rates impacts intercompany loans referencing IBOR rates for terms that extend beyond 31 December 2021. Transition activities are focused on identifying existing LIBOR based contracts and determining how to convert such contracts to alternative risk-free rates. The transition does not have a significant impact on the Company's financial statements. Further details are disclosed in the SNC-Lavalin Group Inc. financial statements for the year ended 31 December 2021 (note 21).

Trade and other receivables

Trade receivables and amounts recoverable on contracts are amounts due from customers for services performed in the ordinary course of business. Amounts due from subsidiary undertakings, amounts due from joint ventures, prepayments and accrued income and other receivables are non-derivative financial assets. These are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

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.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. In the balance sheet, bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

Leases

The Company leases equipment. Rental contracts are typically made for fixed periods of 6 months to 4 years but may have extension options.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (continued)

Leases(continued)

Assets and liabilities arising from a lease are initially measured on a present value basis at the date at which the leased asset is available for use by the Company. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Company under residual value guarantees;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the income statement. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Leases in which a significant portion of the risks and rewards of ownership were not transferred to the Company as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to the income statement on a straight-line basis over the period of the lease.

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1 Accounting policies (continued)

Trade and other payables

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Fees invoiced in advance are advances from customers for services performed in the ordinary course of business. Amounts due to subsidiary undertakings, accruals and deferred income, social security and other taxes and other payables are non-derivative financial liabilities. These are initially recognised at fair value, and subsequently measured at amortised cost in line with IFRS 9. Trade and other payables are classified as current liabilities if payment is due within 12 months or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

2 Revenue

The table below shows revenue by division based on the contracts included in the Company and not for the division as a whole:

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k	**Year ended 31 December 2021 %**	Year ended 31 December 2020 %
Aerospace, Defence, Security & Technology	**423**	160	**1.0**	0.3
Infrastructure	**15,921**	19,389	**38.2**	34.5
Nuclear	**8,921**	6,557	**21.4**	11.7
Oil and Gas	**4,322**	11,984	**10.4**	21.3
Transportation	**4,067**	11,066	**9.8**	19.7
Internal Trade	**8,023**	7,041	**19.3**	12.5
	41,677	56,197	**100.0**	100.0

The Directors consider that during the course of the financial year, the Company has supplied markets that do not differ substantially from each other. In general, the Company provides very similar services to similar markets in all the jurisdictions in which it and its branches operate. This disclosure is made pursuant to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, which requires companies operating in substantially different markets to disclose the turnover attributable to each market, however provides an exemption for companies where markets supplied do not differ substantially across geographical bounds. The Oil & Gas segment was disposed of during 2021 and therefore this division won't be reported going forward.

3 Operating loss

	Note	**Year ended 31 December 2021 £k**	Year ended 31 December 2020 £k
Operating loss is arrived at after charging/(crediting)			
Employee benefit costs	4	**137**	922
Net foreign exchange (gain)/loss		**(503)**	247
Depreciation of property, plant and equipment	10	**79**	71
Increase in provisions	14	**98**	211
Release of provisions	14	**(733)**	(438)

Services provided by the Company's auditor

The current year's audit fee of £237.8k (year ended 31 December 2020: £202.7k) was borne by another Group undertaking, Atkins Limited. There was no specific recharge in respect of this charge. No non audit services were provided by the Company's auditor to the Company.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

4 Employee costs

The monthly average number of full time equivalent people (including directors) employed by the Company during the year amounted to 3 (year ended 31 December 2020: 9). Employees under the Australia branch were transferred to SNC-Lavalin Rail and Transit Limited at the beginning of the year 2021.

The employee costs of those people amounted to:

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Wages and salaries	**127**	852
Social security costs	**10**	70
	137	922

No redundancy costs have been incurred during the year (year ended 31 December 2020: £nil).

5 *Directors' remuneration*

Key management comprises only the directors. All of the directors are directors of a number of other companies in the Group. The services provided by these directors to this Company and to a number of other companies in the Group are of a non-executive nature and therefore it is not possible to make an accurate apportionment of their emoluments in respect of each of the companies or their portion of normal staff cost. The costs for the year 1 January 2021 to 31 December 2021 are disclosed in the financial statements of fellow group subsidiaries for the year then ended.

During the year ended 31 December 2021, 5 directors received contributions to a money purchase pension scheme (31 December 2020: 4).

6 Income from shares in Group undertakings

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Dividends received from Group undertakings	**11,599**	3,044

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

7 Net finance costs

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Interest payable on intercompany balances	**2,185**	2,898
Other finance costs	**13**	-
Finance costs	**2,198**	2,898
Interest receivable on intercompany loans	**(16,004)**	(19,028)
Interest receivable on short term deposits	**-**	(4)
Interest payable on loans	**-**	5
Finance income	**(16,004)**	(19,027)
Net finance costs	**(13,806)**	(16,129)

8 Income tax expense

a) Analysis of charge in the year

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Current income tax		
- current year	**898**	487
- adjustment in respect of prior years	**146**	(965)
Deferred income tax (see note 12)		
- origination and reversal of temporary differences	**10**	1,517
- adjustment in respect of prior years	**(1)**	(199)
- effect of changes in tax rates	**(90)**	(1)
Income tax charged to income statement	**963**	839
(Loss)/profit before tax per income statement	**(4,972)**	10,606
Effective income tax rate	**(19.4%)**	7.9%

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

8 Income tax expense (continued)

b) Factors affecting income tax rate
The income tax rate for the year is lower (year ended 31 December 2020: lower) than the standard rate of corporation tax in the UK of 19% (year ended 31 December 2020: 19%). The differences are explained below:

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k	**Year ended 31 December 2021 %**	Year ended 31 December 2020 %
UK statutory income tax	**(945)**	2,015	**19.0**	19.0
(Decrease)/increase resulting from:				
Non taxable dividend income	**(2,204)**	(578)	**44.3**	(5.4)
Other permanent differences	**(1,152)**	(1,271)	**23.2**	(12.0)
Non deductible impairment of investments/loans	**5,579**	363	**(112.2)**	3.4
Expenses not deductible for tax purposes	**5**	7	**(0.1)**	0.1
Overseas tax	**969**	2,069	**(19.5)**	19.5
Group relief claimed for nil consideration	**(1,491)**	(601)	**30.0**	(5.7)
Adjustment in respect of prior years	**145**	(1,165)	**(2.9)**	(11.0)
Non deductible loss on disposal of investments	**147**	-	**(3.0)**	-
Effect of changes in tax rates	**(90)**	-	**1.8**	-
Total tax charge and effective income tax rate for the year	**963**	839	**(19.4)**	7.9

The rate of corporation tax in the UK as at 31 December 2021 was 19%. Further legislation to increase the standard rate of UK corporation tax from 19% to 25% from 1 April 2023 was enacted at the balance sheet date and has been included in these financial statements.

9 Dividends

An interim dividend of £2,278k was paid to Atkins International Holdings Limited during the year ended 31 December 2021 (year ended 31 December 2020: £nil).

During the year, the Company waived a balance receivable from Atkins Consultancy Services Ltd of £2,831k, which was treated as a distribution from the Company.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Property, plant and equipment

	Plant, machinery and vehicles £k
Cost at 31 December 2020 and 1 January 2021	506
Additions	1
Difference on exchange	(23)
Cost at 31 December 2021	**484**
Accumulated depreciation at 31 December 2020 and 1 January 2021	198
Depreciation charge for the year	79
Disposals	-
Difference on exchange	(11)
Accumulated depreciation at 31 December 2021	**266**
Net book value at 31 December 2021	**218**
Net book value at 31 December 2020	308

The depreciation charge for the year ended to 31 December 2021 of £79k (year ended 31 December 2020: £71k) is included in administrative expenses in the income statement.

11 Investments

	Subsidiaries £k	Associates, joint ventures and other investments £k	Total £k
Cost at 1 January 2021	1,055,187	417	1,055,604
Additions	26		26
Disposals	(280,933)	-	(280,933)
Cost at 31 December 2021	**774,280**	417	**774,697**
Accumulated impairment at 1 January 2021	282,727	-	282,727
Disposals	(280,679)	-	(280,679)
Impairment during the year	27,286	-	27,286
Accumulated impairment at 31 December 2021	29,334	-	29,334
Net book value at 31 December 2021	**744,946**	**417**	**745,363**
Net book value at 31 December 2020	772,460	417	772,877

The in year addition relates to a capital contribution of EUR 30k to WS Atkins France SAS. The disposals in year relate to the liquidation of Atkins Luxembourg sarl which was dissolved on 28 December 2021, the sale of Atkins Consulting Engineers Limited on 16 July 2021 and Atkins Australaisa Pty Limited sold as part of the Omega sale in July 2021.

Impairment during the year related to Atkins Design Engineering Consultants Pte Ltd of £13,169k and Atkins Norge AS of £14,117k.

The directors consider that the carrying amounts of the Company's investments are not less than the value of the underlying assets.

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11 Investments (continued)

Subsidiary undertakings
The following companies were the subsidiary undertakings at 31 December 2021:

Name	Registered office/principal place of business	% of share class/interests held	Share class(es) held
Atkins (Trinidad) Limited[1]	23 Taylor Street, Woodbrook, Port of Spain, Trinidad and Tobago	100%	TTD ordinary shares with no par value
Atkins Commercial Nuclear Holdings Corporation[1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	US$1.00 common stock
Atkins Consulting Canada Limited[1]	1801 Hollis Street, Halifax NS B3J 3N4, Canada	100%	Common share without *nominal or par value*
Atkins Danmark A/S	Arne Jacobsens Alle 17, 2300 Kobenhavn S., Denmark	100%	DKK1,000 ordinary share
Atkins Design Engineering Consultants Pte. Ltd[1]	137 Market Street, #11-01 Grace Global Raffles, 048943, Singapore	100%	SGD1.00 ordinary share
Atkins Energy Canada Group Limited[1]	195 The West Mall, 3rd Floor, Toronto, ON, M9C 5K1, Canada	100%	Common share without nominal or par value
Atkins Energy Federal EPC, Inc[1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, *United States*	100%	US$0.01 common
Atkins Energy Germany GmbH [1]	Willhoop 3, 22453, Hamburg, Germany	100%	€1.00 share
Atkins Energy Global Solutions, LLC[1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	US$1.00 shares
Atkins Energy Government Group, Inc[1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	US$1.00 common
Atkins Energy, Inc.[1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	US$0.10 common
Atkins Energy Products & Technology, LLC[1]	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100%	US$1.00 unit
Atkins Michigan, Inc. [1]	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100%	US$0.01 common stock
Atkins Norge AS	Lilleakerveien 6D, 0283 Oslo, Norway	100%	NOK50 ordinary share
Atkins North America, Inc. [1]	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100%	US$5.00 common stock
Atkins Nuclear Secured Holdings Corporation [1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	US$0.01 common stock
Atkins Nuclear Secured , LLC [1]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	N/A - membership interest
Atkins Nuclear Solutions US, Inc. [1]	205 Powell Place, Brentwood TN 37027-7522, United States	100%	US$ common stock with no par value
Atkins Oak Ridge, LLC (Delaware 100%) [1]	3411 Silverside Road, Tatnall Building #104, Wilmington *DE 19810, United States*	100%	Unit
Atkins Renewable Resources Corporation (Delaware, 100%)[1,2]	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	USD$1.00 Class A voting share
Atkins Sverige AB [1]	Lilla Nygatan, 7, 211 38, Malmo, Sweden	100%	SEK100.00 ordinary
Atkins Tanzania Limited	Plot No 1120, Chloe Road, Msasani Peninsula, Masaki, P.O. Box 2555, Dar Es Salaam, United Republic of Tanzania	100%	SHS.20.00 shares
Atkins US Holdings Inc	3411 Silverside Road, Tatnall Building #104, Wilmington DE 19810, United States	100%	US$1.00 common stock
Capital Engineering, LLC [1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	Unit
Data Transfer Solutions, LLC[1]	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100%	Interest share
Isotek Systems, LLC [1]	702 Scarboro Road, Suite 301, Oak Ridge, TN 37831, United States	100%	Unit

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11 Investments (continued)

Name	Registered office/principal place of business	% of share class/interests held	Share class(es) held
SNC, Ltd.[1]	600 Mamaroneck Avenue #400, Harrison NY 10528, United States	100% 100%	CAD$1 class A shares CAD$1 common share
SNC-Lavalin America, Inc.[1]	155 E. Boardwalk #490, Fort Collins, Colorado 80525, United States	100%	Common stock
SNC-Lavalin Capital USA Inc.[1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	Common stock
SNC-Lavalin Constructors Inc.[1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	US$0.01 common share
SNC-Lavalin Project Services Inc.[1]	1001 State Street, #1400 Erie, Pennsylvania 16501, United States	100%	Shares
The Atkins North America Holdings Corporation [1]	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100%	US$ common share with no par value
The SNC-Lavalin Corporation[1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100% 100%	US$10,000 common stock US$100 common stock
Valerus Compression Services LLC [1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	Interest share
Valerus Field Solutions Columbia SAS[1]	Calle 113 No. 7-21, Torre A, Of.910 Bogota, Colombia	100%	Unit
Valerus Field Solutions Holdings LLC[1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	n/a - membership interest
Valerus Field Solutions LP[1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	Interest share
Valerus Services Compania en Comandita por Acciones[1]	Torre La Previsora, Piso 18, Oficina Sur Este, Av. Abraham Lincoln, c/c Las Acacias, Sabana Grande, Caracas, Venezuela 1050	100%	VEB1.00 common share
VFS Holdco LLC[1]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	Interest share
Vueworks, LLC[1]	4030 West Boy Scout Boulevard, Suite 700, Tampa FL 33607, United States	100%	Interest share
WS Atkins & Partners Overseas	5.20 World Trade Center, 6 Bayside Road, GX11 1AA, Gibraltar	100%	£1.00 ordinary share
WS Atkins & Partners Overseas Engineering Consultants [1]	6th Floor Hamad Tower, King Fahad Road, PO Box 301702, Riyadh, Kingdom of Saudi Arabia	100%	SAR100.00 indivisible shares
WS Atkins (India) Private Limited	10th Floor, Safina Towers, No. 3, Ali Asker Road, Bangalore, Karnataka-KA, 560052, India	100%	INR100.00 equity shares
WS Atkins (Malaysia) SDN. BHD	Unit 1-17-1 Menara Bangkok Bank@Berjaya Central Park, No 105 Jalan Ampang, 50450 Kuala Lumpur, Malaysia	100%	RM1.00 ordinary share
WS Atkins France SAS	24 Rue Garnier Pages, Saint-Maur des Fosses, 94100 France	100%	€1.00 ordinary share
WS Atkins International & Co. LLC	2nd Floor, Hatat House Complex B, Wadi Adai, Muscat, PO BOX 2985, Oman	65%	OMR1.00 shares
WS Atkins Overseas Limited	5.20 World Trade Center, 6 Bayside Road, GX11 1AA, Gibraltar	100%	£1.00 ordinary share
WS Atkins, Inc.[1,3]	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States	100%	US$1.00 common stock

1. *Owned by a subsidiary undertaking other than W.S. Atkins International Limited.*
2. *Previously Kentz US Resources Corporation until 2 March 2021*
3. *Changed name to WS Atkins US Holdings Inc. with effect from 30 December 2020 and back to WS Atkins Inc. on 15 January 2021*

The principal activity of all the subsidiaries is engineering services and project management activities.
The country of incorporation matches the country in which the registered office/principal place of business is located. All the subsidiary undertakings noted above operate in the country of registration, except for WS Atkins & Partners Overseas and WS Atkins Overseas Limited, which operates in the Middle East.

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11 Investments (continued)

Significant holdings

The following companies were the significant holdings as at 31 December 2021:

Name	Share class(es) held	% of share class/interests held	Registered office/principal place of business
WS Atkins International and Hussain Tawfiq Al-Modeer Engineering Consultants	SAR10.00 indivisible non-tradeable equal cash interests	50%	P.O. Box 3791, Al-Khobar 3192, Saudi Arabia

Joint ventures

The Company has the following joint ventures as at 31 December 2021:

Name	Proportion of ownership/interest	Financial year end	Registered office/principal place of business
Canadian National Energy Alliance Ltd.[1]	26.0%	31 March	79 Wellington Street West, 30th Floor, TD South Tower, Toronto, Canada M5K 1N2
CB&I Atkins Southwest Environmental LLC[1]	45.0%	31 December	The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware 19801, United States
Central Plateau Cleanup Company LLC [1]	22.0%	30 September	1209 Orange Street, Wilmington, Delaware, United States 19801
Comprehensive Decommissioning International, LLC[1]	40.0%	31 December	3411 Silverside Road, Tatnall Building #104 Wilmington DE 19810, United States
Disaster Solutions Alliance, LLC[1]	49.0%	31 December	300 East Lombard Street, Baltimore, Maryland, 21202 United States
EA2 Solutions LLC[1]	49.0%	31 December	2908 Poston Avenue, Nashville, Tennessee, United States 37203-1312
EDP JV (unincorporated)[1]	40.0%	31 March	N/A
Engage S.N.C.	25.0%	31 December	70 Boulevard de Courcelles, 75017 Paris, France
GET-NSA, LLC[1]	49.0%	31 December	100 Union Valley Road, Suite 101a, Oak Ridge TN 37830, United States
Global Threat Reductions Solutions, LLC[1]	49.0%	31 December	222 Valley Creek Blvd., Suite 210, Exton, PA 19341, United States
Idaho Treatment Group, LLC [1] (in close out)[1]	15.0%	31 December	2016 Mt. Athos Road, Lynchburg, VA 24504, United States
LATA-Atkins Technical Services LLC[1]	49.0%	31 December	6100 Uptown Boulevard NE, Suite 400, Albuquerque NM 87110, United States
LATA/Parallax, Portsmouth LLC[1]	49.0%	31 December	2424 Louisana Blvd NE, STE 400, Alburquerque, NM 87110, United States
Marstel-Day/Atkins MP JV Limited Liability Company [1]	49.0%	31 December	701 Kenmore Avenue, Ste. 220, Fredericksburg VA 22401, United States
Mid-America Conversion Services, LLC[1]	42.0%	31 December	3735 Palomar Centre Drive #109, Lexington, KY 40513, United States
Nuclear Atkins Assystem Alliance SNC	50.0%	31 December	70 Boulevard de Courcelles, 75017 Paris, France

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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11 Investments (continued)

Joint ventures (continued)

Name	Proportion of ownership/interest	Financial year end	Registered office/principal place of business
NWI&T Atkins SB JV, LLC [1]	49.0%	31 December	1209 Orange Street, Wilmington, Delaware, United States 19801
TPMC-EnergySolutions Environmental Services, LLC[1]	49.0%	31 December	2500 Citywest Blvd, Suite 300, Houston TX 77042, United States
TPMC-EnergySolutions Environmental Services 2008, LLC[1]	49.0%	31 December	2500 Citywest Blvd, Suite 300, Houston TX 77042, United States
TPMC-EnergySolutions Environmental Services 2010, LLC[1]	49.0%	31 December	2500 Citywest Blvd, Suite 300, Houston TX 77042, United States
Uranium Disposition Services, LLC[1]	26.0%	31 December	1020 Monarch St., STE 100, Lexington, KY 40513-1890, United States
Washington River Protection Solutions, LLC[1]	40.0%	31 December	2425 Stevens Center Place, Richland, WA 99352, United States
West Valley Environmental Services, LLC[1]	10.0%	31 December	4 Centre Dr., Orchard Park, New York NY 14127, United States

[1]. *Owned by a subsidiary undertaking other than W.S. Atkins International Limited.*

The proportion of shares held is in respect of ordinary share capital. There are no special rights or constraints on the shares. There are no restrictions on distributions from any of these joint ventures.

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12 Deferred tax (liabilities)/assets

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and there is a legally enforceable right to settle tax assets and liabilities on a net basis. The offset amounts are as follows:

	31 December 2021 £k	31 December 2020 £k
Deferred tax assets:		
- deferred tax assets to be recovered after more than 12 months	14	5
- deferred tax assets to be recovered within 12 months	362	270
	376	275
Deferred tax liabilities:		
- deferred tax liabilities to be recovered after more than 12 months	(1,565)	(1,545)
	(1,565)	(1,545)
Deferred tax (liabilities)/assets (net)	(1,189)	(1,270)

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

a) Deferred tax (liabilities)/assets

	31 December 2021 £k	31 December 2020 £k
Accelerated depreciation	15	5
Other temporary differences	(1,204)	(1,275)
Total deferred tax asset	(1,189)	(1,270)

b) Analysis of movements during the year

	Year ended 31 December 2021 £k	Period ended 31 December 2020 £k
Deferred tax (liability)/asset at 1 January	(1,270)	47
Deferred tax credited/(charged) to the income statement (note 8)	81	(1,317)
Deferred tax assets at 31 December	(1,189)	(1,270)

The rate of corporation tax in the UK as at 31 December 2021 was 19%. Further legislation to increase the standard rate of UK corporation tax from 19% to 25% from 1 April 2023 was enacted at the balance sheet date and has been included in these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

13 Intercompany loan receivables

	31 December 2021 £000	31 December 2020 £000
Intercompany loan receivables	150,998	-
	150,998	-

At 31 December 2021, the Company reassessed the 'current' nature of its intercompany balances, including the ability and intention of the borrowers to repay these balances. As a result, £150,998.2k has now been classified as non-current as there is no known intention to settle. Notwithstanding this position, these balances do still remain payable on demand and should a liquidity need arise, the Group could review all intercompany balances and these balances could be called at short notice to accommodate any funding needs. The balances as at 31 December 2020 were classified as current as the Group was in the process of reassessing intercompany funding arrangements to align with the business structure, in particular in light of any changes that resulted from the disposal of the Oil & Gas segment.

Included in the balance is a loan of £148,250.3k bearing interest at a fixed rate of 7%, a loan of £2,579.5k bearing interest at interbank offered rates +1.45% and an interest free loan of £168.4k.

14 Trade and other receivables

	31 December 2021 £k	31 December 2020 £k
Current assets:		
Trade receivables	82	76
Less: Provision for impairment of receivables	(9)	(10)
Trade receivables - net	73	66
Amounts recoverable on contracts	2,205	8,985
Other receivables	78	(7)
Prepayments and accrued income	17	19
Amounts due from joint ventures	19	92
Amounts due from fellow Group undertakings	209,800	359,437
	212,192	368,592

The directors consider that the carrying value of the Company's trade and other receivables approximates their fair value.

The Company has an arrangement with Atkins Limited to collect all of the Company's trade receivables, with the exception of those relating to its branches, in exchange for an intercompany balance. These trade receivables are held at cost which approximates their fair value. The Company bears the risk of non-payment of trade receivables by the external party. The cost of uncollectible trade receivables and the provisions for impairment are charged to the Company.

Included in amounts due from fellow Group undertakings are trade receivables of £6,630k (31 December 2020: £10,182k) and a provision for impairment of trade receivables of £349k (31 December 2020: £983k). It also includes an impairment of intercompany loans receivable of £nil (31 December 2020: £6,389k) in accordance with IFRS 9.

At 31 December 2021, £3,401k (31 December 2020, £5,261k) of the Company's total trade receivables were within normal terms and considered to be fully performing.

At 31 December 2021, £2,732k (31 December 2020, £3,628k) of trade receivables were past due date and aged up to six months from invoice date.

Trade receivables aged beyond six months of invoice date totalled £497k (31 December 2020: £1,293k).

Included in Amounts due from fellow Group Undertakings are loans bearing interest based on average interbank offered rates for the currencies concerned in the range 0-12 months plus between 0.0% and 4.5% (31 December 2020: 0-12 months plus between 0.0% and 4.5%).

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14 Trade and other receivables (continued)

Movements in the Company provision for impairment of trade receivables were as follows:

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Provision for impairment at beginning of year	**(993)**	(1,220)
Increase in provisions	**(98)**	(211)
Release of provisions	**733**	438
Provision for impairment at end of year	**(358)**	(993)

Included within the provision balance of £358k (31 December 2020: £993k) is £9k (31 December 2020: £10k) which relates to the provision for impairment for third party trade receivables. Of the remaining balance £349k (31 December 2020: £983k) relates to trade receivables held by Atkins Limited, as explained above.

15 Trade and other payables

	31 December 2021 £k	31 December 2020 £k
Current liabilities:		
Trade payables	**13**	7
Fees invoiced in advance	**10,779**	9,039
Accruals and deferred income	**1,373**	2,588
Social security and other taxation	**300**	276
Other payables	**128**	130
Amounts due to fellow Group undertakings	**509,251**	532,565
	521,844	544,605

The directors consider that the carrying value of the Company's trade and other payables approximates their fair value.

The Company has an arrangement with Atkins Limited to collect all of the Company's trade payables, with the exception of those relating to its branches, in exchange for an intercompany balance. Included in amounts due to fellow Group undertakings are trade payables of £434k (31 December 2020: £1,186k).

Amounts due to Group undertakings are unsecured and repayable on demand.

Included in Amounts due to fellow Group Undertakings are interest-free loans of £184,785k (31 December 2020: £184,845k). The remaining loans bear interest based on average interbank offered rates for the currencies concerned in the range 0-12 months plus 0.9%, 1.45%, 1.7%, 1.75%, 2% or 2.21% (31 December 2020: 0-12 months plus 1.45%, 1.7%, 1.75% or 2%).

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16 Ordinary shares

	Year ended 31 December 2021 Number of shares	Year ended 31 December 2021 £k	Year ended 31 December 2020 Number of shares	Year ended 31 December 2020 £k
Issued, allotted and fully paid ordinary shares of £1 each				
At 1 January and at 31 December	**152,501**	**153**	152,501	153

No shares were allotted during the current or prior year.

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

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The company's other reserves are as follows:
Retained earnings: represents cumulative profits or losses, net of dividends paid and other adjustments.

17 Cash (used in)/generated from continuing operations

	Note	31 December 2021 £k	31 December 2020 £k
Operating loss for the year		**(236)**	(6,662)
Add back: Depreciation	10	**79**	71
Add back: Foreign exchange gains and losses		**(67)**	1,096
Change in trade receivables		**3,644**	28,000
Change in trade payable		**(4,870)**	15,901
Cash used in continuing operations		**(1,450)**	38,406

18 Contingent liabilities

The Company has given indemnities in respect of overseas' office overdrafts, performance bonds, advance payment bonds, letters of credit and import duty guarantees issued on its behalf. The indemnities, which arose in the ordinary course of business, are not expected to result in any material financial loss. The Company has given a cross guarantee in respect of fellow subsidiaries overdraft facilities in the ordinary course of business.

The Company is included in a Group Registration for Value Added Tax purposes and is, therefore, jointly and severally liable for all other Group undertakings' unpaid debts in this connection.

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19 Related party transactions

Directors' remuneration is disclosed in note 5. Key management comprises the directors.

Details of the Company's subsidiary undertakings, significant holdings and joint ventures are shown in note 11.

Sales of goods and services and receivables from joint ventures:

	Year ended 31 December 2021 £k	Year ended 31 December 2020 £k
Sales of goods and services to joint ventures	**2,415**	1,863
Receivables from joint ventures	**19**	92

20 Events occurring after the reporting period

W.S. Atkins International Limited Turkey branch was dissolved on 1 September 2022. There was no material impact on the financial statements.

21 *Ultimate parent undertaking and controlling party*

SNC-Lavalin Group Inc. was the Company's ultimate parent undertaking and controlling party at 31 December 2021. The immediate parent undertaking is Atkins International Holdings Limited. SNC-Lavalin Group Inc. headed the largest and smallest group of undertakings for which Group financial statements are drawn up and of which the Company is a member.

Atkins International Holdings Limited is incorporated in England and Wales, and has its registered office at:

Woodcote Grove
Ashley Road
Epsom
Surrey
KT18 5BW
England

Copies of the Annual report and financial statements for Atkins International Holdings Limited are available from the company secretary at the address above.

SNC-Lavalin Group Inc. is incorporated in Canada, and has its registered office at:

455 Boul. René-Lévesque West
Montréal
Québec
Canada
H2Z 1Z3

Copies of the annual report and financial statements for SNC-Lavalin Group Inc. are available at www.snclavalin.com/en/investors.