

ENSIGN HIGHWAYS HOLDINGS LIMITED

ANNUAL REPORT

**FOR THE YEAR ENDING
31 DECEMBER 2022**

Company Number: 05148685



ENSIGN HIGHWAYS HOLDINGS LIMITED
ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2022

COMPANY INFORMATION

Directors

R. Llobregat
A J Y H Courson

Secretary

S. Ciufu-Hayward

Company Number

05148685

Registered Office

6210 Bishops Court
Birmingham Business Park
Solihull
Birmingham
B37 7YB

Independent Auditor

Mazars LLP
One St. Peter's Square
Manchester
M2 3DE

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STRATEGIC REPORT

The directors present their Strategic Report for Ensign Highways Holdings Limited (the "Company") for the year ended 31 December 2022.

Principal activities and review of the business

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

Future developments

The directors do not expect any change in the Company's principal activities in the foreseeable future. There is an expectation that there will be no immediate change to the Company's corporate structure and financial reporting requirements, however, the board will monitor events to determine how the Company will be affected over the long term. Other than the general macro-economic environment over which there is no control, it is the board's view that it will be business as usual for the coming months.

Results and performance

The Company did not trade in the current year, however it did receive a final dividend for the year ended 31 December 2021 of £1,000,000 (2020: £400,000) from its subsidiary, Ensign Highways Limited.

The Company paid a dividend during the year of £1,400,000.

Key financial indicators

Ensign Highways Holdings Limited is part of the Colas SA group, whose ultimate parent company is Bouygues SA (hereafter referred to as 'the Group'). The Company acts as an intermediate holding company for the Group and as such does not have any KPIs as an individual company. KPIs are monitored at the Group level and are disclosed in the consolidated financial statements of Bouygues SA which may be obtained from that company at 32 Avenue Hoche, 75378, Paris, CEDEX 08, France

Principal risks and uncertainties

The key risk faced by the Company are aligned with those of Bouygues SA. For more details and how they are managed please refer to the consolidated financial statements of the Group. The directors' have not identified any significant risks for the Company.

COVID-19

The Company is an intermediate holding company that does not trade and as such is not directly impacted by the effects of COVID-19.

Russia/Ukraine

The directors do not anticipate any significant impact on the Company's principal activities arising from the events surrounding Russia and Ukraine and the situation will be closely monitored.

This report was approved by the board and signed by order of the board by:

S. Ciufu-Hayward
Secretary

Date : 16 May 2023

DocuSigned by:

Stefan Ciufu-Hayward

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ENSIGN HIGHWAYS HOLDINGS LIMITED
ANNUAL REPORT FOR THE YEAR ENDING 31 DECEMBER 2022

DIRECTORS' REPORT

The directors present their report and the audited financial statements for Ensign Highways Holdings Limited (the "Company") for the year ended 31 December 2022.

Directors

The directors who held office during the year and up to the date of signing these financial statements were:

R. Llobregat

A J Y H Courson

C. J. Fergusson [resigned 16 February 2022]

M. Overton [resigned 31 January 2022]

Statement of directors' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Indemnification of directors

Qualifying third party indemnity provisions (as defined in section 234 of the Companies Act 2006) are in force for directors who held office during the year.

Disclosure of information to auditor

Each director has taken all the necessary steps they ought to have taken in order to make themselves aware of any information relevant to the audit, establish that the auditor is aware of that information and that there is no information relevant to the audit of which the Company's auditor is unaware.

ENSIGN HIGHWAYS HOLDINGS LIMITED
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DIRECTORS' REPORT

This report was approved by the board and signed by order of the board:

S. Ciufu-Hayward
Secretary
Date : 16 May 2023

DocuSigned by:
Stefan Ciufu-Hayward
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INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Ensign Highways Holdings Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "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 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

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 this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the 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.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 2, 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.

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INDEPENDENT AUDITOR'S REPORT

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 the financial statements.

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

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.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion and significant one-off or unusual transactions).

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;

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INDEPENDENT AUDITOR'S REPORT


- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.


Valerie Levi (May 22, 2023 14:02 GMT+1)

Valerie Levi (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
One St. Peter's Square
Manchester
M2 3DE

Date: 22/05/2023

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STATEMENT OF COMPREHENSIVE INCOME

| Continuing operations | Notes | 2022 | 2021 |
|--|--------------|------------------|----------------|
| | | £ | £ |
| Investment income | | 1,000,000 | 400,000 |
| Operating profit | | 1,000,000 | 400,000 |
| Interest receivable and similar income | | - | - |
| Interest payable and similar charges | | - | - |
| Profit on ordinary activities before taxation | | 1,000,000 | 400,000 |
| Tax on profit on ordinary activities | 4 | - | - |
| Profit for the financial year attributable to owners of the Company | | 1,000,000 | 400,000 |
| Other comprehensive income | | - | - |
| Total comprehensive income attributable to owners of the Company | | 1,000,000 | 400,000 |

The notes on pages 11 to 14 form part of these financial statements.

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BALANCE SHEET

Company Number: 05148685

| | Notes | 2022 £ | 2021 £ |
|----------------------------------|-------|-----------|-----------|
| Current assets | | | |
| Cash at bank and in hand | 6 | - | 400,000 |
| Net current assets | | - | 400,000 |
| Fixed assets | | | |
| Investment in group undertaking | 7 | 100 | 100 |
| Net assets | | 100 | 400,100 |
| Capital and reserves | | | |
| Called up share capital | 8 | 100 | 100 |
| Retained earnings | | - | 400,000 |
| Total shareholders' funds | | 100 | 400,100 |

The notes on pages 11 to 14 form part of these financial statements.

These financial statements were approved by the Directors and authorised for issue and are signed on their behalf by:

R. Llobregat
 Director

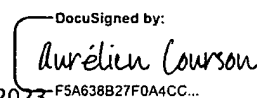
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AJYH Courson
 Director

Date : 16 mai 2023

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STATEMENT OF CHANGES IN EQUITY

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|---|--|------------------------------------|---------------------------|
| At 1 January 2022 | 100 | 400,000 | 400,100 |
| Comprehensive income for the year | | | |
| Profit for the financial year | - | 1,000,000 | 1,000,000 |
| Other comprehensive income for the financial year | - | - | - |
| Total comprehensive income for the year | - | 1,000,000 | 1,000,000 |
| Contribution by and distribution to owners | | | |
| Dividends (Note 5) | - | (1,400,000) | (1,400,000) |
| Total contribution by and distributions to owners | - | (1,400,000) | (1,400,000) |
| At 31 December 2022 | 100 | - | 100 |

| | Called up share capital £ | Retained earnings £ | Total equity £ |
|---|--|------------------------------------|---------------------------|
| At 1 January 2021 | 100 | - | 100 |
| Comprehensive income for the year | | | |
| Profit for the financial year | - | 400,000 | 400,000 |
| Other comprehensive income for the financial year | - | - | - |
| Total comprehensive income for the year | - | 400,000 | 400,000 |
| Contribution by and distribution to owners | | | |
| Dividends (Note 5) | - | - | - |
| Total contribution by and distributions to owners | - | - | - |
| At 31 December 2021 | 100 | 400,000 | 400,100 |

Reserves

The share capital account includes the nominal value for all shares issued and fully paid. Retained earnings includes accumulated profits and losses net of distributions to shareholders.

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NOTES TO THE FINANCIAL STATEMENTS

1 Company information

Ensign Highways Holdings Limited (the "Company") is a company limited by shares, incorporated in England and Wales. Its registered office and principal place of business is 6210 Bishops Court, Birmingham Business Park, Solihull, Birmingham, B37 7YB.

These financial statements have been presented in Pounds Sterling (£) as this is the currency of the primary economic environment in which the Company operates.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards, including FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ("FRS 102"). These financial statements have been prepared under the historical cost convention.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions including notification of and no objection to, the use of exemptions by the Company's shareholders.

In preparing these financial statements, the Company has taken advantage of the following disclosure exemptions:

- the requirement of Section 4 Statement of Financial Position paragraph 4.12 (a)(iv).
- the requirement of Section 7 Statement of Cash Flows and section 3 Financial Statement Presentation
- the requirement of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29 providing the equivalent disclosures required by the FRS 102 are included in the consolidated financial statements of the group in which the entity is consolidated.
- the requirement of Section 33 Related Party Disclosures paragraph 33.7

2.2 Going concern

After reviewing the Company forecasts and projections, the directors' have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

2.3 Revenue recognition

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

2.4 Investments

Investments held as fixed assets are recognised at cost less provision for impairment.

2.5 Equity instruments

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

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NOTES TO THE FINANCIAL STATEMENTS

2.6 Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in the profit and loss account. An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

2.7 Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in tax computations.

A net deferred tax asset is recognised if it can be regarded as more likely than not that there will be suitable tax profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax assets and liabilities are calculated at the tax rates that are expected to be effective when the timing differences are expected to reverse. Deferred tax assets and liabilities are not discounted.

3 Directors and employees

The only employees of the Company during the financial year were the directors who did not receive any remuneration in respect of their services to the Company (2021: nil).

4 Taxation

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| (a) Current tax | | |
| UK Corporation tax based on the result for the year at 19% (2021: 19%) | - | - |
| | 2022 | 2021 |
| | £ | £ |
| (b) Factors affecting current tax charge | | |
| Profit on ordinary activities before tax | 1,000,000 | 400,000 |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%) | 190,000 | 76,000 |
| Effect of tax-exempt income | (190,000) | (76,000) |
| Total tax on profit on ordinary activities | - | - |

ENSIGN HIGHWAYS HOLDINGS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

5 Dividend on equity shares

| | 2022 | 2021 |
|---|-------------|-------------|
| | £ | £ |
| Amounts recognised as distributions to equity holders in the year: | | |
| Dividend paid for the year ended 31 December 2020 of £4,000 per share and £10,000 per share for year ended 31 December 2021 | 1,400,000 | - |

6 Cash at bank and in hand

| | 2022 | 2021 |
|--------------------------|-------------|-------------|
| | £ | £ |
| Cash at bank and in hand | - | 400,000 |

7 Investment in subsidiary undertaking

| | 2022 | 2021 |
|---------------------|-------------|-------------|
| | £ | £ |
| Cost | | |
| At 31 December 2022 | 100 | 100 |

| Company | Country of registration | Class of shares held | Principal activity |
|-------------------------|--------------------------------|-----------------------------|---|
| Ensign Highways Limited | England & Wales | Ordinary - 100% | Highway maintenance contractor specifically to operate a Private Finance Initiative contract with Portsmouth City Council |

Ensign Highways Limited is incorporated in England and Wales and is registered to the following address; 6210 Bishops Court, Birmingham Business Park, Solihull, Birmingham, B37 7YB.

8 Share capital

| | 2022 | 2021 |
|--|-------------|-------------|
| | £ | £ |
| Allotted, called up and fully paid: | | |
| Equity Shares | | |
| 100 Ordinary shares of £1 each | 100 | 100 |

The Ordinary shares of the Company carry no right of fixed income and one voting right per share.

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NOTES TO THE FINANCIAL STATEMENTS

9 Ultimate parent undertaking and ultimate controlling party

The Company is a 50% joint venture between Colas SA and Colas Limited. The financial statements of the Company are incorporated in the financial statements which form part of the annual report of the Colas SA group of companies. Colas SA is the parent company of the smallest group of which this Company is a member and for which group accounts are prepared. Colas SA is incorporated and operating in France and is listed on the Paris stock exchange.

Colas SA's ultimate parent undertaking and controlling party is Bouygues SA, which is incorporated in France. Bouygues SA is the parent company of the largest group of which this Company is a member and for which group accounts are prepared. Copies of Bouygues SA consolidated accounts are publicly available and may be obtained from the company at 32 Avenue Hoche, 75378, Paris, CEDEX 08, France.