

# **Sturrock and Robson New Energy Limited**

## **Directors' Report and Financial Statements**

Registered number: 07268341

For the year ended 30 June 2022

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## Company Information

Directors	D G Mech B T Rushe
Registered number	07268341
Registered office	1 Long Lane London SE1 4PG
Independent auditor	BHP LLP Mayesbrook House Lawnswood Business Park Redvers Close Leeds LS16 6QY

## Directors' Report

The directors present their report and the financial statements for the year ended 30 June 2022.

### Principal activity

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

### Results and dividends

The profit for the year, after taxation, amounted to £821,000 (2021: £4,066,000).

No dividends were paid during the year (2021: £nil).

On 30 June 2022, the Company purchased its investment in MOF Technologies Limited from a sister company, Sturrock and Robson (UK) Limited for £1,020,000. The sale was vendor financed through the issuance of an interest free loan.

### Directors

The directors who served during the year were:

D G Mech

B T Rushe

### Going concern

The financial statements have been prepared on a going concern basis, which the directors consider to be appropriate.

### Provision of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Post balance sheet events

In October 2022, MOF Technologies Limited ("MOFT") completed a successful funding round, raising £4.4 million. The Company obtained additional shares from existing shareholders via pre-emption rights for consideration of £66,801. Following both transactions, the Company's shareholding was diluted to 13.23%. The completion of the funding round led to an increase in the fair value of the investments of £786,000 as it reflected conditions that were evident at the year end and has therefore been treated as an adjusting post balance sheet event. Refer to note 10 for further information.

### Auditor

The auditors, BHP LLP, will be proposed for reappointment in accordance with the section 485 of the Companies Act 2006.

## Directors' Report

### Small companies note

In preparing the report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

BT Rushe  
BT Rushe (Jan 23, 2023 16:49 GMT)

**B T Rushe**

Director

Date: Jan 23, 2023

## Directors' Responsibilities Statement

The directors are responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

## Independent Auditor's Report

### *To the Members of Sturrock and Robson New Energy Limited*

#### Opinion

We have audited the financial statements of Sturrock and Robson New Energy Limited (the 'company') for the year ended 30 June 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (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 30 June 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

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

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. 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 our audit:

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

## Independent Auditor's Report

### *To the Members of Sturrock and Robson New Energy Limited*

#### **Matters on which we are required to report by exception**

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

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 gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.



## Independent Auditor's Report

### *To the Members of Sturrock and Robson New Energy Limited*

#### Auditor's responsibilities for the audit of the financial statements (continued)

We focused on laws and regulations relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of company minutes and legal expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of the nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### 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.

Chris Neale

Chris Neale (Jan 30, 2023 17:45 GMT)

Chris Neale (Senior Statutory Auditor)  
For and on behalf of BHP LLP  
Chartered Accountants  
Statutory Auditor

Date: Jan 30, 2023

1st Floor, Mayesbrook House  
Lawnswood Business Park  
Redvers Close  
Leeds  
LS16 6QY

## Statement of Comprehensive Income

*for the year ended 30 June 2022*

	Note	2022 £000	2021 £000
Administrative expenses		(15)	-
Interest payable and similar expenses	6	-	(91)
Net change in fair value of financial assets (unrealised)	10	786	-
Exceptional items	7	-	4,157
<b>(Loss)/Profit before tax</b>		<b>771</b>	<b>4,066</b>
Tax on profit	8	50	-
<b>Profit for the financial year</b>		<b>821</b>	<b>4,066</b>
<b>Total comprehensive income for the year</b>		<b>821</b>	<b>4,066</b>

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 13 to 24 form part of these financial statements.

## Statement of Financial Position

*As at 30 June 2022*

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Investments	9	-	-
Investments in financial assets	10	1,806	-
		<u>1,806</u>	<u>-</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	11	46	-
		<u>46</u>	<u>-</u>
Creditors: amounts falling due within one year	12	(1,031)	-
		<u>(985)</u>	<u>-</u>
<b>Net current liabilities</b>		<u>(985)</u>	<u>-</u>
<b>Total assets less current liabilities</b>		<u>821</u>	<u>-</u>
<b>Net assets</b>		<u>821</u>	<u>-</u>
<b>Capital and reserves</b>			
Profit and loss account		821	-
<b>Total equity</b>		<u>821</u>	<u>-</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

BT Rushe  
 BT Rushe (Jan 23, 2023 16:49 GMT)

**B T Rushe**

Director

Date: Jan 23, 2023

Registered number: 07268341

The notes on pages 13 to 24 form part of these financial statements.

## Statement of Changes in Equity

*for the year ended 30 June 2022*

	Profit and loss account £000	Total equity £000
At 1 July 2020	(4,066)	(4,066)
Comprehensive income for the year		
Profit for the year	4066	4,066
Total comprehensive income for the year	-	-
At 1 July 2021	-	-
Comprehensive income for the year		
Profit for the year	821	821
Total comprehensive income for the year	821	821
At 30 June 2022	821	821

The notes on pages 13 to 24 form part of these financial statements.

# Notes to the Financial Statements

*for the year ended 30 June 2022*

## 1 General information

Sturrock and Robson New Energy Limited is a private company limited by shares, incorporated in England in the United Kingdom. Its registered office and principal place of activity is 1 Long Lane, London, SE1 4PG.

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

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest thousand.

## 2 Accounting policies

### *Basis of preparation of financial statements*

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly owned subsidiaries ;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel; and
- Disclosures of transactions with a management entity that provides key management personnel services to the company.

As the consolidated financial statements of Sturrock and Robson SARL include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments.

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

## Notes to the Financial Statements (continued)

*for the year ended 30 June 2022*

### 2 Accounting policies (continued)

#### *Going concern*

Notwithstanding net current liabilities of £985,000 (2021: £0) as at 30 June 2022, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company will have sufficient funds, through funding from its parent company, Sturrock and Robson SARL, to meet its liabilities as they fall due for that period. Sturrock and Robson SARL has indicated its intention to continue to make available such funds as are needed by the company for the next 12 months from signing of these financial statements. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

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

At the time of approving these financial statements the Directors are continuing to assess the future operations of the Company, with no final decisions yet made. There are currently no plans to cease operations of the Company.

#### *Finance costs*

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### *Foreign currency translation Functional and presentation currency*

The company's functional and presentational currency is GBP.

#### *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'administration expenses'.

## Notes to the Financial Statements (continued)

*for the year ended 30 June 2022*

### 2 Accounting policies (continued)

#### *Exceptional items*

Exceptional items are those items of financial performance that the Company believes should be separately disclosed on the face of the profit or loss in addition to the full results to assist in the understanding of the underlying financial performance achieved by the Company. Such items are material by nature or amount to the year's results and require separate disclosure in accordance with IAS 1, paragraph 97.

Exceptional items include material non-recurring costs associated with specific events which are not considered to be in the ordinary course of business.

#### *Taxation*

Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense is recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### *Valuation of investments*

Investments in subsidiaries are measured at cost less accumulated impairment.

#### *Financial instruments*

##### *Financial assets*

The company classifies its financial assets in the following categories: at amortised cost and at fair value through profit and loss. The classification depends on the business model within which the financial asset is held and contractual cash flow characteristics of the financial asset. Management determines the classification of its financial assets at initial recognition.

## Notes to the Financial Statements (continued)

for the year ended 30 June 2022

### 2 Accounting policies (continued)

#### *Financial instruments (continued)*

##### *Financial assets (continued)*

###### i. Financial assets at amortised cost

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

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

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

###### ii. Financial assets at fair value through profit and loss

All financial assets not classified as measured at amortised cost as described above are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset as at fair value through profit or loss, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivative financial assets designated as hedging instruments.

The Group holds investments in financial assets at fair value through profit or loss.

#### *Financial liabilities*

All financial liabilities are recognised initially at fair value and are subsequently measured as liabilities at amortised cost.

###### i. Financial liabilities at amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses arising on those financial liabilities are recognised in profit or loss.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance expenses in profit or loss.



## Notes to the Financial Statements (continued)

*for the year ended 30 June 2022*

### 2 Accounting policies (continued)

#### *Impairment of financial assets*

The impairment loss of financial assets carried at amortised cost is measured based on twelve months expected credit loss. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss. Financial assets are written off when there is no reasonable expectation of recovery.

As at 30 June 2021 and 2022, management considered the credit risk of loans and receivables is low as counterparties have a strong capacity to meet their contractual obligations in the near term. The Company has assessed that the expected credit losses for these other receivables were immaterial under the 12 months expected credit losses method. Therefore, the loss allowance provision for these balances were close to zero and no provision was recognised.

#### *Creditors*

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### *Impairment of non-financial assets*

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the assets in the unit (group of units) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### *Exceptional items*

Exceptional items are those items of financial performance that the Company believes should be separately disclosed on the face of the profit or loss addition to the full results to assist in the understanding of the underlying financial performance achieved by the Company. Such items are material by nature or amount to the year's results and require separate disclosure in accordance with IAS 1, paragraph 97.

## Notes to the Financial Statements (continued)

for the year ended 30 June 2022

### 2 Accounting policies (continued)

#### *Exceptional items (continued)*

Exceptional items include material non-recurring income and costs associated with specific events which are not considered to be in the ordinary course of business.

### 3 Judgements in applying accounting policies and key sources of estimation uncertainty

#### *Valuation of investments in financial assets*

The fair value of an investment in financial assets is based on observable market prices where available. In the absence of this, fair value is based on the discounted cashflows expected to be derived from the ownership of the investment.

### 4 Employees

The company has no employees other than the directors, who did not receive any remuneration (2021: £nil).

Directors' remuneration is borne by Sturrock and Robson Services Ltd. No allocation of their remuneration can be specifically attributed to the company as it is considered trivial.

### 5 Auditors remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the company:

	2022	2021
	£000	£000
Audit of these financial statements	4	-
Amounts receivable by the company's auditor and its associates in respect of:		
Taxation compliance services	1	-
	<u>5</u>	<u>-</u>

In 2021, audit fees of £3,900 for the audit of the financial statements were borne by Sturrock and Robson Services Limited, a fellow subsidiary within the Sturrock and Robson SARL consolidated group.

### 6 Interest payable and similar expenses

	2022	2021
	£000	£000
Loans from group undertakings	-	91
	<u>-</u>	<u>91</u>

## Notes to the Financial Statements (continued)

for the year ended 30 June 2022

### 7 Exceptional Items

	2022	2021
	£000	£000
Write off intercompany loan	-	4,157

#### Write-off intercompany loan

Following the sale of REDS during the year ended 30 June 2021, Sturrock and Robson (UK) Limited waived the intercompany debt owed by the Company as a result of the re-organisation of the business, this debt was no longer deemed recoverable. As a result, a gain of £4,157,000 was recognized in the profit or loss.

### 8 Taxation

	2022	2021
	£000	£000
Adjustments in respect of previous periods	(17)	-
Group taxation relief	(33)	-
	(50)	-
<b>Total current tax</b>	<b>(50)</b>	<b>-</b>
<b>Deferred tax</b>	<b>-</b>	<b>-</b>
<b>Taxation on profit</b>	<b>(50)</b>	<b>-</b>

## Notes to the Financial Statements (continued)

*for the year ended 30 June 2022*

### 8 Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%) as set out below:

	2022 £000	2021 £000
(Loss)/Profit before tax	771	4,066
(Loss)/Profit multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	146	773
Expenses not deductible for tax purposes	3	17
Income not taxable	(149)	(790)
Adjustments to tax charge in respect of prior periods	(17)	
Group relief surrendered	(33)	
Total tax credit for the year	(50)	-

#### Factors that may affect future tax charges

The Chancellor's Budget on 3 March 2021 announced a UK corporation tax increase from 19% to 25%, effective from 1 April 2023. The rate for small profits under £50,000 will remain at 19%, and there will be taper relief for businesses with profits between £50,000 and £250,000. Since the proposal to increase the rate to 25% has been substantively enacted at the balance sheet date, its effects are included in these financial statements.

## Notes to the Financial Statements (continued)

for the year ended 30 June 2022

### 9 Fixed Asset Investments

	Investments in subsidiary companies £000
<b>Cost</b>	
At 1 July 2021	-
At 30 June 2022	-
<b>Impairment</b>	-
<b>Net book value</b>	
At 30 June 2022	-
At 30 June 2021	-

### Subsidiary undertakings

The following were subsidiary undertakings of the company during the previous year:

Name	Class of shares	Holding	Principal activity
Reach Engineering & Diving Services Limited ("REDS")	Ordinary	100%	Provision of engineering solutions by specialize access techniques of diving services, rope access and confined space entry.

### Registered office

Unit 2, Estate Road 6, South Humberside Industrial Estate, Grimsby, DN31 2TG

On 31 December 2020, the Company shareholding in its subsidiary REDS was sold to the existing management team.

## Notes to the Financial Statements (continued)

for the year ended 30 June 2022

### 10 Investment in financial assets

<i>In thousands of GBP</i>	2022	2021
	£000	£000
Balance at 1 July 2021	-	-
Additions during the year	1,020	-
Net change in fair value (unrealised)	786	-
Balance at 30 June 2022	<u>1,806</u>	<u>-</u>

As at 30 June 2022, the Company owned a minority interest in the share capital of the following undertaking:

Company	Country of incorporation	Principal activity	Class of shares held	Percentage of shares held
MOF Technologies Limited	United Kingdom	Manufacturing	Ordinary voting	19.02%

On 30 June 2022, the investment in MOF Technologies Limited ("MOFT") was acquired from Sturrock and Robson (UK) Limited. As part of the sale and purchase agreement, an interest free loan was advanced by Sturrock and Robson (UK) Limited to fund the acquisition. This is repayable on demand (see note 12 for further detail).

The investment in MOFT is held at fair value through profit and loss in accordance with IFRS 9 Financial Instruments. Fair value of the investment has been determined in accordance with IFRS 13 Fair Value Measurements.

MOFT underwent a funding round that commenced prior to 30 June 2022 and was completed in October 2022. The completion provided new information, not available at the time of the acquisition from Sturrock and Robson UK Limited, which resulted in a measurement that is more representative of the fair value of the investment resulting in a gain of £786,000. The completion of the funding round reflected conditions that were evident at the year end and has therefore been treated as an adjusting post balance sheet event.

The valuation method input available is Level 2 using market comparison. The fair value has been estimated using the sale price of an identical investment in a market that is not active. There are no unobservable inputs that would impact the fair value of the investment.

Subsequent to year-end, on 4 October 2022, the Company subscribed to additional shares in MOFT to the value of £66,801. Following a successful funding round by MOFT, new shares have been issued and this has diluted the shareholding to 13.23% (see note 16 for further detail).

## Notes to the Financial Statements (continued)

*for the year ended 30 June 2022*

### 11 Debtors: Amounts falling due within one year

	2022	2021
	£000	£000
Amounts owed by group undertakings	12	-
VAT recoverable	1	-
Group relief receivable	33	-
	<u>46</u>	<u>-</u>

Included within amounts owed by group undertakings are trading accounts totalling £12,000 (2021: £nil). These accounts are interest free and repayable on demand.

### 12 Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Amounts owed to group undertakings	1,020	-
Accruals and deferred income	11	-
	<u>1,031</u>	<u>-</u>

Included within amounts owed to group undertakings is a loan from Sturrock and Robson UK of £1,020,000 (2021: £nil), this is interest free and repayable on demand.

### 13 Share Capital

As at 30 June 2022 and 30 June 2021, the authorised share capital comprised of 1 ordinary share. The ordinary share has a par value of £1.

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

### 14 Commitments

Under a group registration scheme, this company is jointly and severally liable for Value Added Tax by other group companies. At 30 June 2022 this contingent liability amounted to £7,528 (2021: £nil).

## Notes to the Financial Statements (continued)

*for the year ended 30 June 2022*

### 15 Related party transactions

The company has taken advantage of the exemption offered by FRS 101 from the requirements of paragraph 17 of IAS 24 Related Party Disclosures not to disclose key management personnel compensation and from the requirements in IAS 24 Related Party Disclosures not to disclose related party transactions entered into between two or more members of a group.

### 16 Post balance sheet events

In October 2022, MOF Technologies Limited ("MOFT") completed a successful funding round, raising £4.4 million. The Company obtained additional shares from existing shareholders via pre-emption rights for consideration of £66,801. Following both transactions, the Company's shareholding was diluted to 13.23%. Refer to note 10 for further information.

### 17 Controlling party

The Company is a subsidiary undertaking of Sturrock and Robson International SARL, which is the ultimate parent company incorporated in Luxembourg. This company is also the ultimate controlling party.

The largest group in which the results of the Company are consolidated is that headed by Sturrock and Robson International SARL, incorporated in Luxembourg. The consolidated financial statements of this group are available to the public and may be obtained from the Luxembourg Commerce Registry.