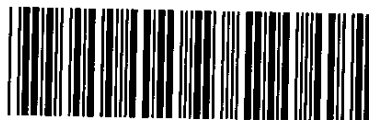


**NET ZERO BUILDINGS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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## NET ZERO BUILDINGS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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The directors present their report and the financial statements for the year ended 31 December 2019.

#### Principal activity

The principal activity of the Company ("NetZero") is the design, manufacture and construction of ultra-energy efficient, modern purpose-built net zero carbon buildings mainly focused in the education sector. We have advanced plans to expand our business activity into the residential and primary health markets.

#### Directors

The directors who served during the year were:

Neil Smith (resigned 15 August 2019)  
Keith Maddin  
Osman Yousef  
James Page  
Stephen Clay (appointed 20 April 2019, resigned 31 March 2020)  
Jonathan Crosby (appointed 20 April 2019)  
Steve Murphy (appointed 16 August 2019)

#### About NetZero

NetZero design and build award-winning net zero carbon buildings using modern methods of construction to deliver sustainable buildings with net zero running costs and net zero carbon emission performance.

NetZero is a market leader in sustainable buildings and has become a prominent voice in the transition to the net zero building. We are committed to continually developing new buildings that meet the needs of our customers through being high quality, delivered faster with a lower cost than through traditional construction methods, whilst being kinder to the environment. Our buildings typically feature airtight, thermally efficient envelopes, heat recovery ventilation, integrated solar roofs and smart controls. They are designed to generate more power than they use. This approach significantly reduces ongoing energy bills for our customers and eliminates the carbon emissions associated with producing the energy that less intelligent buildings consume to operate.

Building off-site significantly reduces disruption and delivers meaningful cost savings when compared to other methods of construction. The savings can then be invested in the integration of renewable energy technology with sufficient capacity to ensure the building can operate with a net zero energy consumption.

Our first net zero buildings was completed for an independent prep school (Moreton Hall School) in 2012, and multiple projects have since been built. Our designs in the education sector range from single classrooms to whole new schools and include classroom blocks, kitchen and dining halls, SEN spaces, science blocks, theatres, examination halls, libraries, nurseries, sports facilities, gymnasiums and changing rooms.

Since Moreton Hall we've designed and built over 75 NetZero schemes throughout the UK with an average EPC rating of A+ across our projects. We believe NetZero has delivered the highest number of A+ EPC rated school buildings in the UK. NetZero has won many awards over the last 4 years including Greenbuild Awards, Building Technology of the Year, Public Building Energy Project of the Year, Public Sector Energy Champion for Schools, School Building of the Year and most recently the Department for Education's Environmental Award.

NetZero is now widely acknowledged as a remarkable net zero carbon building solution.

#### Auditor

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

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**NET ZERO BUILDINGS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Small companies note**

In preparing this 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 on 26 November 2020 and signed on its behalf.



Osman Yousef  
Director

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## NET ZERO BUILDINGS LIMITED

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### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019**

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The directors are responsible for preparing 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are 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 to 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.

**NET ZERO BUILDINGS LIMITED**  
**REGISTERED NUMBER: 08751011**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £000	2018 £000
<b>Fixed assets</b>			
Intangible assets	6	611	650
Tangible assets	7	900	458
		<u>1,511</u>	<u>1,108</u>
<b>Current assets</b>			
Stocks		145	133
Debtors: amounts falling due within one year	8	2,944	1,682
Cash at bank and in hand	9	391	206
		<u>3,480</u>	<u>2,021</u>
Creditors: amounts falling due within one year	10	(2,531)	(1,448)
<b>Net current assets</b>		<u>949</u>	<u>573</u>
<b>Total assets less current liabilities</b>		<u>2,460</u>	<u>1,681</u>
<b>Provisions for liabilities</b>			
Deferred tax		-	1
Other provisions	12	(70)	(96)
		<u>(70)</u>	<u>(95)</u>
<b>Net assets</b>		<u>2,390</u>	<u>1,586</u>
<b>Capital and reserves</b>			
Called up share capital	13	1	1
Other reserves	14	5,409	2,593
Profit and loss account	14	(3,020)	(1,008)
		<u>2,390</u>	<u>1,586</u>

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**NET ZERO BUILDINGS LIMITED**  
**REGISTERED NUMBER:08761011**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. In accordance with Section 444 of the Companies Act 2006, the members have agreed to preparation of abridged accounts and the directors have chosen to not file a copy of the Company's statement of comprehensive income.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 November 2020



**Osman Yousef**  
Director

The notes on pages 6 to 17 form part of these financial statements.

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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. General information

Net Zero Buildings Limited is a private company, limited by shares, domiciled in England and Wales, registration number 08751011. The registered office is 114 Southampton Row, Bloomsbury, London, United Kingdom, WC1B 5AA.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

##### 2.2 Going concern

The Company had net assets of £2.4 million and current assets of £0.9 million at 31 December 2019.

The directors have received confirmation that the ultimate parent undertaking intends to provide the necessary financial support to enable the Company and its Group to continue for the foreseeable future and to enable the Company to service its liabilities as they fall due.

The directors have reviewed the Company's and Group's financial forecasts and following that review the directors have a reasonable expectation that the Company has adequate resources to continue for the foreseeable future and to service its liabilities as they fall due.

The Company therefore continues to adopt the going concern basis and has drawn up its financial statements accordingly.

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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably

##### **Construction contracts**

When a contract is entered into and is classified to be a construction contract, revenue is recognised using the percentage-of-completion method as construction progresses. The Company considers the terms and conditions of the contract, including how the contract was negotiated and the structural elements that the customer specifies when classifying individual projects as construction contracts. The percentage of completion is estimated by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred to date and the estimated costs to complete

##### 2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.



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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.5 Leased assets: the Company as lessor

Where assets leased to a third party give rights approximating to ownership (finance lease), the lessor recognises as a receivable an amount equal to the net investment in the lease i.e. the minimum lease payments receivable under the lease discounted at the interest rate implicit in the lease. *This receivable is reduced as the lessee makes capital payments over the term of the lease.*

A finance lease gives rise to two types of income: profit or loss equivalent to the profit or loss resulting from outright sale of the asset being leased, at normal selling prices, reflecting any applicable discounts, and finance income over the lease term.

##### 2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised to 'administrative expenses' on a straight-line basis over their expected useful economic lives, which range from 3 to 10 years.

The expected useful economic life of development costs is estimated based on business plans which set out the development plan and time to market for the associated project. Amortisation of the asset begins when development is complete and the asset is available for use. During the period of development the asset is tested for impairment annually.

If it is not possible to distinguish between the research phase and the development phase of an internal project the expenditure is treated as if it were all incurred in the research phase only.

##### 2.7 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.

##### 2.8 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense 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.

##### 2.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

##### 2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following bases.

Development	-	not amortised
Intellectual property	-	straight line over 5 years
Computer software and website	-	straight line over 5 years

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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 3 to 20 years
Plant and machinery	- 3 to 20 years
Motor vehicles	- 2 years
Fixtures, fittings and equipment	- 3 years
Assets under construction	- Not depreciated

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

##### 2.13 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### 2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 2. Accounting policies (continued)

##### 2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at *amortised cost using the effective interest method*.

##### 2.17 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

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

Preparation of the financial statements requires management to make significant judgements and estimates.

The directors use significant judgements and estimates when determining the total expected cost to complete a building and the stage of completion of projects.

The directors have estimated the required remedial provision based on their experiences of past costs.

The directors have used their judgement, based on expected future Company profitability, to recognise deferred tax losses and estimated the applicable tax rate to apply based on the expected timing of those profits.

#### 4. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £27,000 (2018 - £27,000).

#### 5. Employees

The average monthly number of employees, including directors, during the year was 48 (2018 - 35).

**NET ZERO BUILDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**6. Intangible assets**

	Development expenditure £000	Intellectual property £000	Computer software and website £000	Total £000
<b>Cost</b>				
At 1 January 2019	577	36	54	667
Additions	336	-	22	358
Transfer between classes	(368)	368	-	-
Transfer to Tangible fixed assets	(343)	-	-	(343)
At 31 December 2019	202	403	76	681
<b>Amortisation</b>				
At 1 January 2019	-	10	6	16
Charge for the year	-	46	8	54
At 31 December 2019	-	56	14	70
<b>Net book value</b>				
At 31 December 2019	202	347	62	611
At 31 December 2018	577	25	48	650

Development expenditure amounting to £202,000 comprises deferred costs of creating bespoke designs and building prototypes and models for education and housing projects which the Company bids for and will construct adhering to Modern Method of Construction, incorporating Mechanical & Electrical solutions for the buildings.

Intellectual property and Computer software and website costs amounting to £347,000 and £62,000 respectively, includes consultancy, development and implementation costs of Building Information Modelling (BIM), creating BIM libraries, computer software ERP system customisation and website costs.

The intangible assets remain in use by the Company and are used in either securing new income generating projects or enhancing profits on those projects. The directors have reviewed the carrying value of intangible assets and have determined that they are fully recovered through the Company's forecasted cash flows over 2021 and onwards.

NET ZERO BUILDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

7. Tangible fixed assets

	Long-term leasehold property £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Assets under construction £000	Total £000
<b>Cost or valuation</b>						
At 1 January 2019	204	293	20	36	26	579
Additions	46	53	11	66	32	208
Transfer from Intangible assets	343	-	-	-	-	343
Disposals	-	(34)	-	(2)	-	(36)
Transfers between classes	22	-	-	-	(22)	-
At 31 December 2019	615	312	31	100	36	1,094
<b>Depreciation</b>						
At 1 January 2019	12	88	1	20	-	121
Charge for the year on owned assets	23	54	13	19	-	109
Disposals	-	(34)	-	(2)	-	(36)
At 31 December 2019	35	108	14	37	-	194
<b>Net book value</b>						
At 31 December 2019	580	204	17	63	36	900
At 31 December 2018	192	205	19	16	26	458

**NET ZERO BUILDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**8. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	<b>688</b>	510
Amounts owed by group undertakings	<b>158</b>	165
Other debtors	<b>354</b>	294
Prepayments and accrued income	<b>1,285</b>	541
Deferred taxation	<b>459</b>	172
	<b>2,944</b>	<b>1,682</b>

**9. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	<b>391</b>	206
	<b>391</b>	<b>206</b>

**10. Creditors: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	<b>1,101</b>	679
Amounts owed to group undertakings	<b>289</b>	-
Other taxation and social security	<b>506</b>	264
Other creditors	<b>50</b>	51
Accruals and deferred income	<b>585</b>	454
	<b>2,531</b>	<b>1,448</b>

**NET ZERO BUILDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. Deferred taxation**

	<b>2019</b>	
	<b>£000</b>	
At beginning of year	172	
Credited to profit or loss	287	
Utilised in year	"	
<b>At end of year</b>	<b>459</b>	

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
Accelerated capital allowances	(42)	(34)
Tax losses carried forward	501	206
	<b>459</b>	<b>172</b>

**12. Provisions**

	<b>Remedial provision £000</b>
At 1 January 2019	96
Charged to profit or loss	44
Utilised in year	(70)
<b>At 31 December 2019</b>	<b>70</b>

The remedial provision is an allowance for the expected costs to fulfil our 12-month contractual warranty for the buildings as well as the expected costs of snagging certain buildings in the next available school holiday.

**13. Share capital**

	<b>2019</b>	<b>2018</b>
	<b>£000</b>	<b>£000</b>
<b>Alotted, called up and fully paid</b>		
1,000 (2018 - 1,000) Ordinary shares of £1 each	1	1



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## NET ZERO BUILDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 14. Reserves

##### Other reserves

The Other reserve is a capital contribution reserve. During the year, the Company received £2,816,000 from its immediate parent undertaking which has been treated as a capital contribution.

##### Profit and loss account

The Profit and loss account includes all current and prior period retained profits and losses

#### 15. Related party transactions

The Company is not required to disclose transactions between wholly owned entities in the Net Zero Buildings Holding Limited group. There are no related party transactions that require disclosure.

#### 16. Post balance sheet events

In March 2020 the World Health Organisation declared COVID-19 a global pandemic. The UK put in measures to contain and delay the spread of the virus, which included social distancing, business closures and restrictions on travel however construction companies were allowed to continue to operate albeit with social distancing measures in place

Net Zero Building's customers, such as the Department for Education, various Academy Trusts and Local Authorities were keen to continue work on construction projects and the Department for Education in particular, introduced measures to support its construction contractors by providing improved payments terms and not pursuing any claims for project delays

As a direct result of COVID-19, projects slowed whilst materials had to be procured from alternative providers in a disrupted supply chain, sub-contractors closed or developed new ways of working and advisers such as monitoring surveyors were unable to perform site visits. The Company responded by introducing an enhanced cleaning regime and a double split shift pattern in its factory so that workers could work in a more distanced fashion whilst projects progressed. All projects that were progress at the year end continued and have now been successfully handed over in time for the 2020-21 academic year.

Although the global pandemic continues and its consequences remain uncertain, the government has pledged £1 billion of additional infrastructure spending on a school rebuilding programme for England as part of ensuring the UK will "bounce back" from COVID-19. This is very encouraging for the Company's prospects and the forward order book is currently at an all-time record level.

#### 17. Controlling party

The immediate parent undertaking of the Company is Net Zero Buildings Finance Limited.

The ultimate parent undertaking of the Company is Net Zero Buildings Holding Limited

The ultimate controlling party is Mr. John Van Deventer by virtue of his ultimate control of the General Partner of CS Capital Partners V, LP.

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**NET ZERO BUILDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**18. Auditor's information**

The auditor's report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 26 November 2020 by Geraint Jones (Senior statutory auditor) on behalf of BDO LLP.