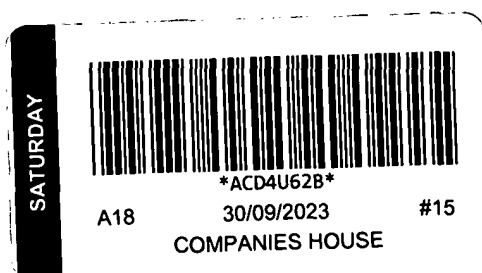


**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements
for the Period 1 April 2022 to 31 December 2022
for
Project C Topco Limited**



Project C Topco Limited

**Contents of the Consolidated Financial Statements
for the Period 1 April 2022 to 31 December 2022**

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Project C Topco Limited
Company Information
for the Period 1 April 2022 to 31 December 2022

DIRECTORS:

T Gray
S Abbs

REGISTERED OFFICE:

4 Oak Spinney Business Park Ratby Lane
Leicester Forest East
Leicester
LE3 3AW

REGISTERED NUMBER:

11623468 (England and Wales)

AUDITORS:

Botham Accounting Limited
Chartered Accountants
Statutory Auditors
3 - 5 College Street
Nottingham
Nottinghamshire
NG1 5AQ

Project C Topco Limited
Group Strategic Report
for the Period 1 April 2022 to 31 December 2022

The directors present their strategic report of the company and the group for the period 1 April 2022 to 31 December 2022.

Principal activities

The company is an intermediate holding company of a trading group which had two core activities - Infrastructure and Property Assurance - provided by separate legal entities in the group until sale of the Property Assurance company in October 2021.

The **infrastructure** business continues to provide specialist testing and other services to the UK construction industry. Testing, monitoring, calibration and surveying services are delivered both on-site and off-site by a team of highly qualified technicians and in-house consultants. These activities are conducted by Construction Testing Solutions Limited and its trading subsidiaries.

Property assurance provided specialist services to property insurance markets including 24/7 home emergency response, underground services surveys, mapping and repairs, subsidence investigations including crack and level monitoring and building repair response. These activities were operated by CET Structures Ltd.

Results, business review and key performance indicators

The financial position of the group and company is shown on pages 14 and 16.

To illustrate the financial performance of the group, the directors present the following table in respect of group trading:

	9 months ended 31 December 2022	Year ended 31 March 2022
	£'000	£'000
Turnover	47,762	64,289
Gross profit	17,363	23,675
Operating profit before goodwill amortisation	(1,656)	4,255
Depreciation and software amortisation	1,776	2,045
Exceptional and non-recurring costs	4,449	1,083
EBITDA	1,198	7,383
Property assurance	-	1,969
Infrastructure	4,557	6,042
Group overhead	(108)	(628)
EBITDA	4,449	7,383
Gross margin - % of turnover	36.4%	36.8%
EBITDA margin - % of turnover	9.3%	11.5%

Financial performance

The key performance indicator used by the directors to measure the performance of the group is earnings before interest, tax, depreciation, amortisation, exceptional items and other non-recurring items ('EBITDA'). EBITDA for the period was £4.4m (March 2022: £7.3m).

On 26 October 2022, the group completed the sale of the group to TIC Bidco Ltd, a company funded by Oakley Capital private equity investment.

Exceptional and non-recurring costs in the year comprise costs related to the sale of the business (2021: restructuring and integration costs as the group makes acquisitions and disposed of the property assurance business). The directors separately identify these as they consider these are non-recurring discretionary investment and remuneration unrelated to continuing core activity.

Project C Topco Limited

Group Strategic Report for the Period 1 April 2022 to 31 December 2022

Acquisitions

Following the acquisitions of Silkstone Environmental Ltd and Mason Evans Partnership Holdings Ltd in the previous year, the group acquired GT Certification Limited on 30 April 2022, Concept Engineering Consultants Ltd on 5 August 2022 and In Situ Site Investigation Ltd on 12 August 2022 to further boost the scale, geographic spread and service offering of the group. Both acquisitions have been integrated into the group and will provide a platform for future growth.

Outlook

With long term relationships established in the construction industries and with an expectation of reasonable market conditions in both segments for the near future, the Directors remain confident over future growth opportunities for the businesses.

Cash flow and indebtedness

Net cash inflow from operating activities amounted to £1.2m in the year (March 2022: £2.0m) which is after incurring exceptional and non-recurring costs of £4.3m (March 2022: £1.1m). This compares to an EBITDA as noted above of £4.4m (March 2022: £7.3m) because of improved working capital management.

Net investment in capital expenditure in the year amounted to £1.4m (March 2022: £2.1m). Additionally, during the year, £23.7m net of cash acquired has been incurred on three acquisitions (March 2022: £6.4m). The group repaid the existing senior facilities in full in October 2021 when the group was sold.

The cash balances were £4m at the year end.

Principal risks and uncertainties

The principal external uncertainties facing the group as well as the overall economic environment were:

Levels of government infrastructure spending

-The directors believe this risk is mitigated by published government infrastructure spending plans and a strong order book, which it expects to be fairly recession proof and drives the revenue within the division.

Loss of key customer contracts

-The group has a balanced portfolio of key customers, with no individual customer contributing more than 5% of group revenues. The group manages the risk by delivering a high-quality service, establishing close relationships with its customers and continuing to develop leading edge technology to differentiate itself from competitors.

Foreign exchange and Brexit

-The group operates wholly in the UK and has not seen any impact from Brexit.

Labour availability

Recruitment remains a challenge for UK industry with high employment levels and salary inflation. The Group mitigates this risk by regular reviews of compensation and has enjoyed high degrees of long service through its co-operative culture.

Interest Rate

The senior debt facility was replaced with borrowings from the new parent company and is therefore not exposed to interest rate risk.

The Directors' duties

The directors of the company, as for all UK companies, must act in accordance with the general duties set out in section 172 of the Companies Act 2006. This is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term,
- The interests of the company's employees,
- The need to foster the company's business relationships with suppliers, customers and others,
- The impact of the company's operations on the community and the environment,
- The desirability of the company maintaining a reputation for high standards of business conduct, and

Project C Topco Limited

Group Strategic Report for the Period 1 April 2022 to 31 December 2022

- The need to act fairly as between members of the company.

Strategic decisions

The sale of the property assurance business in the prior period has provided a focused platform for further organic and acquisitive growth.

Our employees

Employees are essential to the group's interaction with other stakeholders and their individual commitment ensures successful trading and development of the business. We invest in employees through both training, remuneration and team initiatives. Assessing health and safety for employees has been paramount in the Covid-19 outbreak as well as those who employees come into contact with and has guided the actions taken including significant home working and related office restrictions.

Every effort is made to ensure the future career development of existing staff. The health and safety at work of all employees is reviewed by the directors to ensure that high standards are maintained. It is also our policy to ensure that:

- Full and fair consideration is given to all applicants for employment, irrespective of colour or creed.
- Disabled persons are given equal consideration for employment, training, career development and promotional opportunities. In cases where existing employees become disabled (whether from illness or accident) every effort will be made to continue their employment, in the same role or other role more suited to their disability.
- Employees are kept regularly informed on matters affecting them as employees and consulted on matters affecting the group and the employees' interests, primarily via departmental meetings and the group notice boards.
- Achieving a common awareness by all employees in relation to the financial and economic factors that affect the performance of the group is encouraged.

As directors, we are committed to promoting a culture of mental health awareness and wellbeing amongst its employees. This includes the appointment and training of a mental health first aid team, subscription to various assistance services and fund-raising initiatives for mental health charities. During the year we won an award for best employee engagement initiative from a major customer, based on our investment in Mental Health Awareness.

Business relationships

Customer relationships and high standards of service are key to maintaining and growing the group's business. The group has a broad customer base and seeks to provide the right range of products and services to aid customer efficiencies and to support the customer operations and as a result benefit the group from growing sales. Ongoing communication occurs through the sales and operational teams, and through the company websites and email.

Suppliers are key to the business in respect of supporting operations, ensuring business continuity and that the quality of delivery is maintained. There is regular communication with major suppliers which includes the contractor base to advise on efficiency and output for mutual benefit and this partnership is key to future growth strategy. The group policy is to consistently meet payment terms. The group monitors its supplier base to maintain continuity and mitigate any potential supply risks such as those that have arisen during the Covid pandemic or which are currently evolving, such as parts and trades availability.

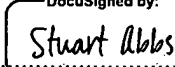
Community and environment

The group both promotes and encourages engagement with and employee involvement in community and charitable projects. This has included raising money for mental health charities, supporting the local children's hospital and providing Christmas gifts for distribution by local charities.

The group is a strong advocate of its environment responsibilities in terms of reduction of waste, monitoring energy usage and taking measure to reduce its carbon footprint. It has long been a holder of ISO 14001 regarding its environmental management system.

Project C Topco Limited
Group Strategic Report
for the Period 1 April 2022 to 31 December 2022

ON BEHALF OF THE BOARD:

DocuSigned by:


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S Abbs - Director

Date: 29 September 2023

Project C Topco Limited
Report of the Directors
for the Period 1 April 2022 to 31 December 2022

The directors present their report with the financial statements of the company and the group for the period 1 April 2022 to 31 December 2022.

DIVIDENDS

No dividends will be distributed for the period ended 31 December 2022.

EVENTS SINCE THE END OF THE PERIOD

Information relating to events since the end of the period is given in the notes to the financial statements.

DIRECTORS

The directors who have held office during the period from 1 April 2022 to the date of this report are as follows:

P D Coles - appointed 26 October 2022
A J Dickin - resigned 26 October 2022
R C Thomas - resigned 26 October 2022
K Maynard - appointed 26 October 2022
R G Piper - appointed 7 November 2022
M Silver - resigned 26 October 2022
P D Eglinton - resigned 26 October 2022

T Gray and S Abbs were appointed as directors after 31 December 2022 but prior to the date of this report.

P D Coles, R G Piper and K Maynard ceased to be directors after 31 December 2022 but prior to the date of this report.

FINANCIAL RISK MANAGEMENT

The group's operations expose it to a variety of financial risks that include the effects of changes in liquidity, interest rate and credit risk. The group has in place risk management processes that seek to limit the adverse effects on the financial performance of the group.

Interest rate risk: In order to ensure stability of cash flows and hence manage interest rate risk, the group will periodically investigate the hedging of interest rates.

Credit risk: The group has implemented policies that require appropriate credit checks on potential customers before sales are made and monitoring of credit levels.

Liquidity risk: The group has used long-term finance and rolled up interest arrangements together with bank facilities that are designed to ensure the group has sufficient available funds for operations and planned expansions.

DIRECTORS' INDEMNITIES

The company maintained liability insurance for its directors and officers. This is a qualifying indemnity provision for the purposes of the Companies Act 2006, and was in place during the financial year and up to the date of signing these financial statements.

Project C Topco Limited

Report of the Directors for the Period 1 April 2022 to 31 December 2022

POST BALANCE SHEET EVENTS

Post year end, having repaid the loans in the subsidiaries, the debenture from the bank which incorporated a first fixed and floating charge over the undertaking and all property and assets present and future including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery was satisfied on 6 March 2023.

On 30 May 2023 total liabilities of group companies owned by TIC Bidco totalling £509,807,481 were secured by a fixed and floating charge of the assets of the company.

GOING CONCERN

The directors believe the group will have sufficient working capital to settle its liabilities as they fall due for a period of twelve months from the date of approval of these financial statements and on this basis it is therefore appropriate that they are prepared on a going concern basis.

STREAMLINED ENERGY AND CARBON REPORTING

This report relates to all operational locations, comprising of the head office locations in Castle Donnington, other office and laboratory locations. All locations are leased. The group operates a large fleet of company vans and mileage is considered to be significant as many employees travel to site locations to carry out testing and inspection as part of the infrastructure projects. There is also some more minor business mileage completed in private vehicles, for business purposes, and the cost of the fuel has been reimbursed by the company.

The group is reporting on its UK energy use for the 2022 calendar year (January to December) and the associated GHG emissions. It relates to the activities for which the group is reasonable, such as the combustion of gas at group premises and the consumption of fuel for the purposes of transport, alongside the purchase of electricity by the group for its own use. The methodology for calculating the UK GHG annual emissions has been based on the GHG Protocol Corporate Standard and the government conversions factors for greenhouse gas reporting for the relevant years have been used.

Data has been obtained from both physical meter readings and financial records, with gas and electricity consumption obtained from invoices. Mileage from the fleet of company vehicles is recorded via a telemetry system that is in place. Business mileage in private vehicles has been calculated through expense claims.

SECR reporting area	Year ended 31 December 2022	Year ended 31 December 2021
Emissions from activities for which the company is responsible including combustion of fuel and operation of facilities (Scope 1)/tCO ₂ e	230,908 kWh = 65.0 tonnes CO ₂ e	618,370 kWh = 124.0 tonnes CO ₂ e
Emissions from purchase of electricity, heat, steam and cooling purchased for own use (Scope 2)/tCO ₂ e	1,438,492 kWh = 131.0 tonnes CO ₂ e	1,621,968 kWh = 230.3 tonnes of CO ₂ e
Emissions from combustion of vehicle fuel for transport purposes (Scope 1)/tCO ₂ e	8,377,943 kWh = 2,104.8 tonnes CO ₂ e	8,099,785 kWh = 1,905.9 tonnes CO ₂ e
Total gross emissions (Scope 1 and 2)/tCO ₂ e	2,300.8 tonnes CO ₂ e	2,260.2 tonnes CO ₂ e
Intensity ratio: tCO ₂ e based on £m of revenue	47.9 tonnes per £m of group revenue	35.2 tonnes per £m of group revenue

The group's strategic aim is to build sales and revenue through increased delivery of its services. Therefore it is anticipated that there may be an increase in absolute energy consumption and to ensure that energy is being managed, the intensity ratio is based on £m revenue.

Energy efficiency measures have been implemented with communications issued to employees to encourage energy efficient behaviours. This includes:

Project C Topco Limited

Report of the Directors for the Period 1 April 2022 to 31 December 2022

- Shut down procedures at the end of each day and prohibiting idling of vehicles.
- A review of the fleet has been completed on the tyre pressures to ensure they are achieving the lowest emissions possible.
- Tyre gauges and pumps are made available to ensure that the appropriate tyre pressure is maintained by the workforce.
- All vehicles are Euro 6 standard
- The group has a fleet telemetry system in place for all its fleet.

The telemetry system is also includes a CO2 programme that tracks driver and vehicles performance to calculate carbon emissions. The system is certified by The Energy Saving Trust and provides details on how to improve environmental performance and reduce carbon footprint. In 2019 the group achieved Gold Certification for reducing CO2 emissions in the year and the group expects further progress to report in the current year.

DISCLOSURE IN THE STRATEGIC REPORT

The following items have been included within the strategic report.

- Principle activities
- Results
- Business review
- Future developments
- Key performance indicators
- Principle risks and uncertainties
- The directors' duties under s172 of the Companies Act including those relating to employees and other group stakeholders

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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). 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 the group and of the profit or loss of the group 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 accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Project C Topco Limited

**Report of the Directors
for the Period 1 April 2022 to 31 December 2022**

AUDITORS

The auditors, Botham Accounting Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

DocuSigned by:

Stuart Abbs

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S Abbs - Director

Date: 29 September 2023

Report of the Independent Auditors to the Members of Project C Topco Limited

Opinion

We have audited the financial statements of Project C Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 December 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement 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 Financial Reporting Standard 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 group's and of the parent company affairs as at 31 December 2022 and of the group's loss for the period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Project C Topco Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 Statement of Directors' Responsibilities set out on page eight, 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 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

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

As part of this assessment we considered both quantitative and qualitative factors. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006 and FRS 102.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements which included the risk of management override of controls. We determined that the principal risks were related to posting inappropriate journal entries, omitting, advancing or delaying recognition of events and transactions that have occurred during or after the reporting period, and potential management bias in the determination of accounting estimates or judgements to manipulate results.

**Report of the Independent Auditors to the Members of
Project C Topco Limited**

Audit procedures performed by the engagement team include:

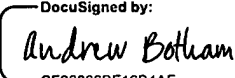
- Enquiring of and obtaining written representation from management and those charged with governance in relation to actual and potential litigation and claims;
- Enquiring of entity staff to identify any instances of non-compliance with laws and regulations;
- Review of meeting minutes of those charged with governance;
- Review of financial statement disclosures and testing to supporting documentation to assess compliance with laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that the compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Report of the Auditors.

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 a Report of the Auditors 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.

DocuSigned by:

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Andrew Botham (Senior Statutory Auditor)
for and on behalf of Botham Accounting Limited
Chartered Accountants
Statutory Auditors
3 - 5 College Street
Nottingham
Nottinghamshire
NG1 5AQ

9/29/2023
Date:

Project C Topco Limited

**Consolidated
Income Statement
for the Period 1 April 2022 to 31 December 2022**

	Notes	Dec 2022 Continuing £'000	Discontinued £'000	Dec 2022 Total £'000
TURNOVER	4	47,762	-	47,762
Cost of sales		<u>(30,399)</u>	<u>-</u>	<u>(30,399)</u>
GROSS PROFIT		17,363	-	17,363
Administrative expenses		<u>(21,801)</u>	<u>-</u>	<u>(21,801)</u>
OPERATING LOSS	6	(4,438)	-	(4,438)
Interest payable and similar expenses	8	<u>(9,566)</u>	<u>-</u>	<u>(9,566)</u>
LOSS BEFORE TAXATION		(14,004)	-	(14,004)
Tax on loss	9	<u>(253)</u>	<u>-</u>	<u>(253)</u>
LOSS FOR THE FINANCIAL PERIOD		<u>(14,257)</u>	<u>-</u>	<u>(14,257)</u>
Loss attributable to: Owners of the parent				<u>(14,257)</u>

The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited

**Consolidated
Income Statement
for the Period 1 April 2022 to 31 December 2022**

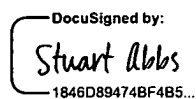
	Notes	Mar 2022 Continuing £'000	2022 Discontinued £'000	Mar 2022 Total £'000
TURNOVER	4	46,540	17,749	64,289
Cost of sales		<u>(29,894)</u>	<u>(10,720)</u>	<u>(40,614)</u>
GROSS PROFIT		16,646	7,029	23,675
Administrative expenses		<u>(16,236)</u>	<u>(6,791)</u>	<u>(23,027)</u>
OPERATING PROFIT	6	410	238	648
Profit on sale of subsidiary	7	<u>-</u>	<u>36,102</u>	<u>36,102</u>
		410	36,340	36,750
Gain/loss on revaluation of assets		-	-	-
Interest payable and similar expenses	8	<u>(4,399)</u>	<u>-</u>	<u>(4,399)</u>
(LOSS)/PROFIT BEFORE TAXATION		<u>(3,989)</u>	<u>36,340</u>	<u>32,351</u>
Tax on (loss)/profit	9	<u>118</u>	<u>(273)</u>	<u>(155)</u>
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		<u><u>(3,871)</u></u>	<u><u>36,067</u></u>	<u><u>32,196</u></u>
(Loss)/profit attributable to: Owners of the parent				<u><u>32,196</u></u>

The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited (Registered number: 11623468)**Consolidated Balance Sheet
31 December 2022**

	Notes	2022 £'000	£'000	2022 £'000	£'000
FIXED ASSETS					
Intangible assets	12		38,625		21,186
Tangible assets	13		6,385		4,256
Investments	14		-		-
			45,010		25,442
CURRENT ASSETS					
Debtors	15	17,614		14,035	
Cash at bank		<u>4,006</u>		<u>2,131</u>	
		21,620		16,166	
CREDITORS					
Amounts falling due within one year	16	<u>72,785</u>		<u>11,231</u>	
NET CURRENT (LIABILITIES)/ASSETS			<u>(51,165)</u>		<u>4,935</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			(6,155)		30,377
CREDITORS					
Amounts falling due after more than one year	17		(804)		(23,757)
PROVISIONS FOR LIABILITIES	22		<u>(1,075)</u>		<u>(397)</u>
NET (LIABILITIES)/ASSETS			<u>(8,034)</u>		<u>6,223</u>
CAPITAL AND RESERVES					
Called up share capital	23		10		10
Retained earnings	24		<u>(8,044)</u>		<u>6,213</u>
SHAREHOLDERS' FUNDS			<u>(8,034)</u>		<u>6,223</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2023 and were signed on its behalf by:

DocuSigned by:

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S Abbs - Director

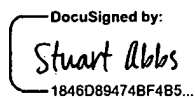
The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited (Registered number: 11623468)**Company Balance Sheet
31 December 2022**

	Notes	2022 £'000	2022 £'000	2022 £'000	2022 £'000
FIXED ASSETS					
Intangible assets	12	-	-	-	-
Tangible assets	13	-	-	-	-
Investments	14	535	535	535	535
			535		535
CREDITORS					
Amounts falling due within one year	16	524		524	
NET CURRENT LIABILITIES			(524)		(524)
TOTAL ASSETS LESS CURRENT LIABILITIES			11		11
CAPITAL AND RESERVES					
Called up share capital	23		10		10
Retained earnings	24		1		1
SHAREHOLDERS' FUNDS			11		11
Company's profit for the financial year			-		16,983

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 29 September 2023 and were signed on its behalf by:

DocuSigned by:

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S Abbs - Director

The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited**Consolidated Statement of Changes in Equity
for the Period 1 April 2022 to 31 December 2022**

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Total equity £'000
Balance at 1 April 2021	10	(9,001)	619	(8,372)
Changes in equity				
Purchase of own shares	-	-	(619)	(619)
Dividends	-	(16,982)	-	(16,982)
Total comprehensive income	-	32,196	-	32,196
Balance at 31 March 2022	<u>10</u>	<u>6,213</u>	<u>-</u>	<u>6,223</u>
Changes in equity				
Total comprehensive income	-	(14,257)	-	(14,257)
Balance at 31 December 2022	<u>10</u>	<u>(8,044)</u>	<u>-</u>	<u>(8,034)</u>

The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited**Company Statement of Changes in Equity
for the Period 1 April 2022 to 31 December 2022**

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Total equity £'000
Balance at 1 April 2021	10	-	619	629
Changes in equity				
Purchase of own shares	-	-	(619)	(619)
Dividends	-	(16,982)	-	(16,982)
Total comprehensive income	-	16,983	-	16,983
Balance at 31 March 2022	<u>10</u>	<u>1</u>	<u>-</u>	<u>11</u>
Changes in equity				
Balance at 31 December 2022	<u>10</u>	<u>1</u>	<u>-</u>	<u>11</u>

The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited

Consolidated Cash Flow Statement
for the Period 1 April 2022 to 31 December 2022

	Notes	Period 1.4.22 to 31.12.22 £'000	Year Ended 31.3.22 £'000
Cash flows from operating activities			
Cash generated from operations	30	1,934	2,525
Tax paid		<u>(466)</u>	<u>(53)</u>
Net cash from operating activities		<u>1,468</u>	<u>2,472</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(682)	(1,115)
Purchase of tangible fixed assets		(1,014)	(1,498)
Sale of tangible fixed assets		-	26
Disposal of subsidiary		-	50,903
Purchase of subsidiaries		<u>(23,677)</u>	<u>(6,435)</u>
Net cash from investing activities		<u>(25,373)</u>	<u>41,881</u>
Cash flows from financing activities			
Bank loans advanced		22,750	24,100
Loan issue costs paid		(746)	(1,169)
Bank loan repayments		(46,850)	(22,225)
Repayment of shareholder loans		-	(28,299)
Hire purchase payments		(1,025)	(764)
Purchase of own shares		-	(619)
Interest paid		(7,628)	(2,975)
Intercompany loans received		59,279	-
Dividends paid		<u>-</u>	<u>(16,982)</u>
Net cash from financing activities		<u>25,780</u>	<u>(48,933)</u>
Increase/(decrease) in cash and cash equivalents		<u>1,875</u>	<u>(4,580)</u>
Cash and cash equivalents at beginning of period	31	<u>2,131</u>	<u>6,711</u>
Cash and cash equivalents at end of period	31	<u><u>4,006</u></u>	<u><u>2,131</u></u>

The notes on pages 20 to 39 form part of these financial statements

Project C Topco Limited

Notes to the Consolidated Financial Statements for the Period 1 April 2022 to 31 December 2022

1. STATUTORY INFORMATION

Project C Topco Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The group and individual financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006 including the provisions of the Large and Medium-sized Companies and Group (Accounts and Report) Regulations 2008.

The accounting period has been shortened to make the period end concurrent with the rest of the group.

Basis of consolidation and parent company exemptions

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings at 31 December 2022. The results of the subsidiary undertakings are included from the date that effective control passed to the company. On acquisition, all the subsidiary undertakings' assets and liabilities at that date of acquisition are recorded under purchase accounting at fair value, having regard to condition at the date of acquisition. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All changes to those assets and liabilities and the resulting gains and losses that arise after the company gained control are included in the post-acquisition results. All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The company has taken the exemption available to qualifying entities within FRS102 not to prepare an entity cash flow statement.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued for the Period 1 April 2022 to 31 December 2022

2. ACCOUNTING POLICIES - continued

Significant judgements and estimates

The financial statements are prepared in sterling (£), which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

Turnover

Turnover comprises the invoiced value of goods and services supplied by the Group recognised on performance of completed tests or services, exclusive of Value Added Tax and net of trade discounts.

Turnover in respect of services delivered over a period of time is recognised when a right to consideration has been obtained through performance under each contract. Consideration accrues as activity progresses to the value of the work performed and unbilled revenue is included in debtors as accrued income. Provided the outcome of a contract can be measured reliably, the percentage of the contract income recognised is by reference to the costs incurred on the contract compared to the total expected costs. Amounts billed on account in excess of the amounts recognised as revenue are included in creditors as deferred income.

Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. Goodwill is being amortised through the statement of comprehensive income on a straight line basis over a period of 5 to 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are assessed for impairment at least annually and tested when there is an indication that the unit may be impaired.

If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets

Software and development costs are costs directly attributable to the acquisition or production of IT technologies in the year. These are capitalised within intangible assets and amortised over a similar life to other computer equipment of four years. Amortisation begins when an asset becomes available for use.

All research expenditure and development expenditure that does not meet the above conditions is expensed as incurred.

Intangible assets acquired as part of an acquisition but which cannot be realised separately from an acquired business, including customer relationships, are not recognised on consolidation and form part of the overall goodwill. Intangible assets created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful lives. Customer lists and related customer relationships are amortised over 8 years.

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****2. ACCOUNTING POLICIES - continued****Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and costs attributable to bringing the asset to its working condition for its intended use.

Accumulated depreciation is provided on the cost (or valuation where appropriate) of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Cost includes the original purchase price of the asset and costs attributable to bringing the asset to its working condition for its intended use. Where there is evidence of impairment, fixed assets are written down to this recoverable amount. Any such write down would be charged to operating profit. The principal annual rates used are:

Motor vehicles	-	Straight line over 4 years & 25% reducing balance
Equipment	-	Straight line over between 3 and 5 years. Reducing balance between 15% and 25%.

Hire purchase assets

Hire purchase arrangements that transfer substantially all the risks and rewards incidental to ownership are classified as hire purchase obligations and are capitalised at commencement of the arrangement as assets at the fair value of the asset or, if lower, the present value of the minimum payments calculated using the interest rate implicit in the arrangements. Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Costs in respect of operating leases are charged to the income statement on a straight line basis over the lease term.

Financial instruments

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued for the Period 1 April 2022 to 31 December 2022

2. ACCOUNTING POLICIES - continued

Financial liabilities

Basic financial liabilities, including trade and other payables, bank borrowings, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Loans are initially stated at the fair value of the consideration received after deduction of wholly attributable issue costs. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method including the amortisation of loan issue costs to the profit and loss account over the expected period to maturity of the relevant borrowings. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Project C Topco Limited

**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022**

2. ACCOUNTING POLICIES - continued

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

The group operates an auto-enrolment (defined contribution) pension scheme and contributes into personal pension plans for certain staff. The charge in the statement of comprehensive income represents the amounts payable into the schemes during the year. The group has no final salary (defined benefit) pension arrangements.

Exceptional items

The group classifies certain one-off administrative charges or credits that have a material impact on the group's financial results as 'exceptional items'. These are disclosed separately in the notes to the financial statements to provide further understanding of the financial performance of the group.

Going concern

The directors believe the group will have sufficient working capital to settle its liabilities as they fall due for a period of twelve months from the date of approval of these financial statements and on this basis it is therefore appropriate that they are prepared on a going concern basis.

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued for the Period 1 April 2022 to 31 December 2022

3. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Useful economic lives of tangible and intangible assets

The annual depreciation or amortisation charge for tangible and intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 13 and 14 for the carrying amount of the software, property plant and equipment, and note 3 for the useful economic lives for each class of assets.

Goodwill amortisation

The Group uses an estimate for the useful life of goodwill and the amortisation charge in line with accepted practice and the nature of the businesses acquired. There is no current indication that the group's businesses will not continue to trade profitably and hence the life may be longer than the estimate used to amortise goodwill.

Fair values and intangible assets on acquisition of a business

Fair values are applied on the acquisition of a subsidiary which involve a degree of judgement and estimation in particular, where applicable, in the identification and evaluation of intangible assets. The values are derived from the business cash flow forecasts and assumptions based on experience and factors relevant to the nature of the business activity.

Investments

The carrying values of investments are reviewed and tested for impairment when there is an indication that the value of the assets might be impaired. When carrying out impairment tests these would be based upon future cash flow forecasts and these forecasts would include management judgements and assumptions which may not always accurately predict future events.

4. TURNOVER

The turnover and loss (2022 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business for the year ended 31 March 2022 is given below:

	£'000
Insurance property assurance	17,749
Infrastructure	<u>46,540</u>
	<u>64,289</u>

This analysis is not considered to be applicable to the period ended 31 December 2022.

All turnover arose within the United Kingdom.

The whole of the turnover and loss on ordinary activities before taxation is attributable to the group's principal activities.

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022

5. EMPLOYEES AND DIRECTORS

	Period 1.4.22 to 31.12.22 £'000	Year Ended 31.3.22 £'000
Wages and salaries	23,517	22,696
Social security costs	2,432	2,229
Other pension costs	<u>735</u>	<u>567</u>
	<u>26,684</u>	<u>25,492</u>

The average number of employees during the period was as follows:

	Period 1.4.22 to 31.12.22	Year Ended 31.3.22
Directors	4	4
Administration (including call centre)	346	329
Site and laboratory workers	<u>465</u>	<u>444</u>
	<u>815</u>	<u>777</u>

	Period 1.4.22 to 31.12.22 £	Year Ended 31.3.22 £
Directors' remuneration	2,457,599	304,000
Directors' pension contributions to money purchase schemes	<u>8,245</u>	<u>8,000</u>

Information regarding the highest paid director is as follows:

	Period 1.4.22 to 31.12.22 £	Year Ended 31.3.22 £
Emoluments etc	1,707,435	157,000
Pension contributions to money purchase schemes	<u>-</u>	<u>5,000</u>

During the year retirement benefits were accruing to 2 directors in respect of defined contribution pension schemes.

The aggregate remuneration for key management, comprising the parent company directors and members of the senior management team of the major trading subsidiaries, was £5,218,408 together with related employer national insurance contributions (31 March 2022: £1,495,000).

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****6. OPERATING (LOSS)/PROFIT**

The operating loss (2022 - operating profit) is stated after charging:

	Period 1.4.22 to 31.12.22	Year Ended 31.3.22
	£'000	£'000
Depreciation - owned assets	1,492	1,539
Goodwill amortisation	2,782	3,607
Computer software amortisation	284	506
Auditors' remuneration	86	120
Auditors' remuneration for non audit work	36	32
Exceptional items (see note below)	4,329	179
Other non-recurring costs (see note below)	-	904
Operating lease rentals - plant, machinery & vehicles	1,392	778
Operating lease rentals - property leases	<u>1,065</u>	<u>997</u>

Exceptional items principally related to acquisitions and their integration or potential transactions together with other initiatives designed to separate operations in two focused subsidiaries for property assurance and testing respectively including investment in external consultancy input to improve efficiency. This includes professional and consultancy costs. Non-recurring costs largely comprise staff severance and settlement payments arising from strategic changes and short term interim costs to manage changes.

The directors separately identify these costs as they consider these are all non-recurring or discretionary investment and remuneration unrelated to continuing core activity.

7. EXCEPTIONAL ITEMS

	Period 1.4.22 to 31.12.22	Year Ended 31.3.22
	£'000	£'000
Exceptional items	(4,329)	(179)
Profit on sale of subsidiary	<u>-</u>	<u>36,102</u>
	<u>(4,329)</u>	<u>35,923</u>

Exceptional costs are related to restructuring of the group due to acquisitions.

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.4.22 to 31.12.22	Year Ended 31.3.22
	£'000	£'000
Bank loan interest	7,532	1,096
Interest on shareholders loans	-	1,756
Other interest	16	35
Amortisation of loan issue costs	1,951	1,424
Hire purchase	<u>67</u>	<u>88</u>
	<u>9,566</u>	<u>4,399</u>

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022

9. TAXATION

Analysis of the tax charge

The tax charge on the loss for the period was as follows:

	Period 1.4.22 to 31.12.22 £'000	Year Ended 31.3.22 £'000
Current tax:		
UK corporation tax	(2)	320
Adjustments to prior period	<u>11</u>	<u>(170)</u>
Total current tax	<u>9</u>	<u>150</u>
Deferred tax:		
Origination and reversal of timing differences	(53)	(28)
Change in rate	-	95
Adjustments to prior period	<u>297</u>	<u>(62)</u>
Total deferred tax	<u>244</u>	<u>5</u>
Tax on (loss)/profit	<u>253</u>	<u>155</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the period is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.4.22 to 31.12.22 £'000	Year Ended 31.3.22 £'000
(Loss)/profit before tax	<u>(14,004)</u>	<u>32,351</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	(2,661)	6,147
Effects of:		
Income not taxable for tax purposes	579	-
Ineligible amortisation on consolidation goodwill	451	686
Profit on disposal not taxed	-	(6,859)
Non deductible interest and other expenses	149	373
Additional capital allowances	1,585	(55)
Deferred tax liability recognised at different rate	(157)	95
Adjustments to prior periods	<u>307</u>	<u>(232)</u>
Total tax charge	<u>253</u>	<u>155</u>

In May 2021 a change in the rate of corporation tax from 19% to 25% from April 2023 was enacted.

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****10. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

	Period 1.4.22 to 31.12.22 £'000	Year Ended 31.3.22 £'000
Ordinary shares of £0.01 each		
Final	<u>-</u>	<u>16,982</u>

12. INTANGIBLE FIXED ASSETS**Group**

	Goodwill £'000	Computer software £'000	Totals £'000
COST			
At 1 April 2022	26,576	474	27,050
Additions	<u>19,823</u>	<u>682</u>	<u>20,505</u>
At 31 December 2022	<u>46,399</u>	<u>1,156</u>	<u>47,555</u>
AMORTISATION			
At 1 April 2022	5,659	205	5,864
Amortisation for period	<u>2,782</u>	<u>284</u>	<u>3,066</u>
At 31 December 2022	<u>8,441</u>	<u>489</u>	<u>8,930</u>
NET BOOK VALUE			
At 31 December 2022	<u>37,958</u>	<u>667</u>	<u>38,625</u>
At 31 March 2022	<u>20,917</u>	<u>269</u>	<u>21,186</u>

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022

12. INTANGIBLE FIXED ASSETS - continued

Group

On 30 April 2022, the group acquired the entire share capital of G.T. Certification Limited from its prior shareholders. The total consideration was £2,412,445. The goodwill arising of £1,850,291 is attributable to the trading companies customers relationships, workforce and ability to deliver services and is being amortised over its expected useful life of 8 years. G.T. Certification contributed £1,421,000 of revenue and a profit before tax of £189,000 before goodwill amortisation to the groups results for the period.

The transaction has been accounted for under the purchase method of accounting. The book values at the acquisition date are considered to be fair values as set out on note 33.

On 5 August 2022, the group acquired the entire share capital of Concept Engineering Limited from its prior shareholders. The total consideration was £8,549,713. The goodwill arising of £4,947,766 is attributable to the trading companies customers relationships, workforce and ability to deliver services and is being amortised over its expected useful life of 8 years. Concept Engineering Limited contributed £4,963,000 of revenue and a loss before tax of £208,000 before goodwill amortisation to the groups results for the period.

The transaction has been accounted for under the purchase method of accounting. The book values at the acquisition date are considered to be fair values as set out on note 33.

On 12 August 2022, the group acquired the entire share capital of In Situ Site Investigation Limited from its prior shareholders. The total consideration was £18,704,844. The goodwill arising of £13,027,511 is attributable to the trading companies customers relationships, workforce and ability to deliver services and is being amortised over its expected useful life of 8 years. In Situ Site Investigation Limited contributed £1,999,000 of revenue and a profit before tax of £594,000 before goodwill amortisation to the groups results for the period.

The transaction has been accounted for under the purchase method of accounting. The book values at the acquisition date are considered to be fair values as set out on note 33.

13. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £'000	Motor vehicles £'000	Totals £'000
COST			
At 1 April 2022	4,529	3,022	7,551
Additions	974	702	1,676
Disposals	(52)	(293)	(345)
Acquired through business combinations	<u>1,532</u>	<u>463</u>	<u>1,995</u>
At 31 December 2022	<u>6,983</u>	<u>3,894</u>	<u>10,877</u>
DEPRECIATION			
At 1 April 2022	1,992	1,303	3,295
Charge for period	961	531	1,492
Eliminated on disposal	<u>(17)</u>	<u>(278)</u>	<u>(295)</u>
At 31 December 2022	<u>2,936</u>	<u>1,556</u>	<u>4,492</u>
NET BOOK VALUE			
At 31 December 2022	<u>4,047</u>	<u>2,338</u>	<u>6,385</u>
At 31 March 2022	<u>2,537</u>	<u>1,719</u>	<u>4,256</u>

Motor vehicles, included in the above, which are held under hire purchase contracts had a carrying amount of £1,725,641 (31 March 2022: £1,573,637).

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****14. FIXED ASSET INVESTMENTS****Company**Shares in
group
undertakings
£'000**COST**At 1 April 2022
and 31 December 2022535**NET BOOK VALUE**

At 31 December 2022

535

At 31 March 2022

535

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary**Project C Bidco Limited**

Registered office: 4 Oak Spinney Business Park Ratby Lane, Leicester Forest East, Leicester, England, LE3 3AW

Nature of business: Intermediate holding company

	%
Class of shares:	holding
Ordinary	100.00

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2022	2022
	£'000	£'000
Trade debtors	14,246	11,741
Other debtors	430	-
Prepayments and accrued income	<u>2,938</u>	<u>2,294</u>
	<u>17,614</u>	<u>14,035</u>

Trade debtors are stated after provisions for impairment of £190,735 (31 March 2022: £81,000).

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2022	2022	2022
	£'000	£'000	£'000	£'000
Hire purchase contracts (see note 19)	818	724	-	-
Trade creditors	4,676	2,613	-	-
Amounts owed to group undertakings	59,279	-	524	524
Tax	361	238	-	-
Social security and other taxes	2,634	2,283	-	-
Other creditors	2,462	1,731	-	-
Accruals and deferred income	<u>2,555</u>	<u>3,642</u>	-	-
	<u>72,785</u>	<u>11,231</u>	<u>524</u>	<u>524</u>

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Other creditors includes £1,915,534 in respect of deferred consideration for acquisitions (31 March 2022: £1,660,000).

Amounts owed by group undertakings were non-interest bearing. There was no fixed repayment date on the intercompany debt, which was considered unsecured and repayable on demand.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2022	2022
	£'000	£'000
Bank loans (see note 18)	-	22,988
Hire purchase contracts (see note 19)	804	769
	<u>804</u>	<u>23,757</u>

18. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2022	2022
	£'000	£'000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	22,988

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2022	2022
	£'000	£'000
Net obligations repayable:		
Within one year	818	724
Between one and five years	804	769
	<u>1,622</u>	<u>1,493</u>

Group

	Non-cancellable operating leases	
	2022	2022
	£'000	£'000
Within one year	968	1,027
Between one and five years	1,397	1,833
	<u>2,365</u>	<u>2,860</u>

The group has £2,365,196 in commitments under non-cancellable operating leases. The company has no commitments under operating leases.

Project C Topco Limited

Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022

20. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2022	2022
	£'000	£'000
Bank loans	<u>-</u>	<u>22,988</u>

The bank had a debenture which incorporated a first fixed and floating charge over the undertaking and its assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery. This charge has been satisfied post year end.

21. FINANCIAL INSTRUMENTS

The company has no financial instruments measured at fair value. Cash balances, trade receivables, other debtors, prepayments, trade payables, other creditors, accruals, the bank loan, shareholder loans and preference shares are all measured at amortised cost which is considered to be the same as the fair value.

22. PROVISIONS FOR LIABILITIES

	Group	
	2022	2022
	£'000	£'000
Deferred tax	<u>1,075</u>	<u>397</u>

Group

	Deferred tax £'000
Balance at 1 April 2022	397
Provided during period	244
Acq via business combinations	<u>434</u>
Balance at 31 December 2022	<u>1,075</u>

The deferred tax liability comprises:

	Dec 2022		Mar 2022	
	Group £'000	Company £'000	Group £'000	Company £'000
Accelerated capital allowances	1,296	-	529	-
Short term timing differences	(130)	-	(132)	-
Losses and other deductions	<u>(91)</u>	-	-	-
	<u>1,075</u>	-	<u>397</u>	-

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2022 £	2022 £
985,000	Ordinary	£0.01	<u>9,850</u>	<u>9,850</u>

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****24. RESERVES****Group**

	Retained earnings £'000
At 1 April 2022	6,213
Deficit for the period	<u>(14,257)</u>
At 31 December 2022	<u>(8,044)</u>

Company

	Retained earnings £'000
At 1 April 2022	1
Profit for the period	<u>-</u>
At 31 December 2022	<u>1</u>

The profit and loss account relates to cumulative gains and losses recognised in the statement of comprehensive income.

25. PENSION COMMITMENTS

Pension contributions of £135,000 (March 2022: £103,000) were outstanding and are included within other creditors.

26. CAPITAL COMMITMENTS AND CONTINGENCIES

At 31 December 2022, the group had capital expenditure commitments of £384,090 (31 March 2022: £Nil) contracted but not provided for. The company had no capital commitments.

There are fixed and floating charges over the company and its assets in respect of subsidiary company borrowings of £Nil (31 March 2022: £24,100,000).

27. RELATED PARTY DISCLOSURES

The company has taken advantage of the exemption under Financial Reporting Standard 102 not to disclose details of transactions with other entities that are part of the Project C Topco Limited Group, as these group financial statements are publicly available and 100% of the voting rights are controlled within the group.

In the period, the group received intercompany loans of £59.3 million from TIC Bidco Limited. These loans are non-interest bearing and are considered to be unsecured and repayable on demand.

28. POST BALANCE SHEET EVENTS

Post year end, having repaid the loans in the subsidiaries, the debenture from the bank which incorporated a first fixed and floating charge over the undertaking and all property and assets present and future including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery was satisfied on 6 March 2023.

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****29. ULTIMATE CONTROLLING PARTY**

The company's immediate parent company is Construction Testing Solutions Jco Limited, a company incorporated in Jersey.

The ultimate parent undertaking and controlling party is TIC Holdco Limited, a company registered in England and Wales. Copies of the ultimate parent company's financial statements can be obtained from Companies House. The directors are of the opinion that Mr Peter Dubens is qualified as the ultimate controlling party of TIC Holdco Limited exercising his control through voting rights with a controlling percentage of >50%.

30. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.4.22 to 31.12.22 £'000	Year Ended 31.3.22 £'000
(Loss)/profit before taxation	(14,004)	32,351
Depreciation charges	4,273	5,652
Profit on disposal of subsidiary	-	(36,102)
Amortisation of computer software	284	506
Finance costs	<u>9,566</u>	<u>4,399</u>
	119	6,806
Decrease/(increase) in trade and other debtors	2,261	(3,316)
Decrease in trade and other creditors	<u>(446)</u>	<u>(965)</u>
Cash generated from operations	<u><u>1,934</u></u>	<u><u>2,525</u></u>

31. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 31 December 2022

	31.12.22 £'000	1.4.22 £'000
Cash and cash equivalents	<u><u>4,006</u></u>	<u><u>2,131</u></u>

Year ended 31 March 2022

	31.3.22 £'000	1.4.21 £'000
Cash and cash equivalents	<u><u>2,131</u></u>	<u><u>6,711</u></u>

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****32. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	At 1.4.22 £'000	Cash flow £'000	Other non-cash changes £'000	At 31.12.22 £'000
Net cash				
Cash at bank	<u>2,131</u>	<u>1,875</u>		<u>4,006</u>
	<u>2,131</u>	<u>1,875</u>		<u>4,006</u>
Debt				
Finance leases	(1,493)	484	(613)	(1,622)
Debts falling due after 1 year	<u>(22,988)</u>	<u>22,988</u>	<u>-</u>	<u>-</u>
	<u>(24,481)</u>	<u>23,472</u>	<u>(613)</u>	<u>(1,622)</u>
Total	<u>(22,350)</u>	<u>25,347</u>	<u>(613)</u>	<u>2,384</u>

33. BUSINESS COMBINATIONS**Acquisition of G.T. Certification Limited**

On the 30 April 2022, the group acquired 100% of G.T. Certification Limited.

The fair value of the consideration paid in relation to the acquisition is as follows:

	£
Cash	1,857,843
Contingent consideration	472,912
Acquisition expenses	<u>81,690</u>
	<u>2,412,445</u>

The fair value of the amounts recognised at the acquisition date are as follows:

	£
Tangible fixed assets	78,919
Debtors	562,460
Cash	356,326
Creditors	(422,771)
Deferred taxation	<u>(12,780)</u>
	562,154
Goodwill at acquisition	<u>1,850,291</u>
	<u>2,412,445</u>

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****Acquisition of Concept Engineering Consultants Limited**

On the 5 August 2022, the group acquired 100% of Concept Engineering Consultants Limited.

The fair value of the consideration paid in relation to the acquisition is as follows:

	£
Cash	6,052,704
Contingent consideration	2,330,621
Acquisition expenses	<u>166,388</u>
	<u>8,549,713</u>

The fair value of the amounts recognised at the acquisition date are as follows:

	£
Tangible fixed assets	450,629
Debtors	4,314,790
Cash	1,216,675
Creditors	(2,316,044)
Deferred taxation	<u>(64,103)</u>
	3,601,947
Goodwill at acquisition	<u>4,947,766</u>
	<u>8,549,713</u>

Acquisition of In Situ Site Investigation Limited

On the 12 August 2022, the group acquired 100% of In Situ Site Investigation Limited.

The fair value of the consideration paid in relation to the acquisition is as follows:

	£
Cash	14,466,100
Contingent consideration	4,003,607
Acquisition expenses	<u>235,137</u>
	<u>18,704,844</u>

The fair value of the amounts recognised at the acquisition date are as follows:

	£
Tangible fixed assets	1,465,402
Debtors	1,054,843
Cash	4,158,690
Creditors	(644,474)
Deferred taxation	<u>(357,128)</u>
	5,677,333
Goodwill at acquisition	<u>13,027,511</u>
	<u>18,704,844</u>

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022****34. FIXED ASSET INVESTMENTS**

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

Subsidiary undertakings	Registered office	Class of share	Percentage of shares held	Audit exemption claimed under Section 479A
Project C Bidco Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	No
Construction Testing Solutions Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	No
Constructing Testing Solutions Holdings Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	Yes
Silkstone Environmental Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	Yes
CGL 2014 Limited	4 Godalming Business Centre, Woolsack Way, Godalming, Surrey, GU7 1XW	Ordinary	100	Yes
The Testing Group Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	Yes
Nicholls Colton Group Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	Yes

Project C Topco Limited**Notes to the Consolidated Financial Statements - continued
for the Period 1 April 2022 to 31 December 2022**

Subsidiary undertakings	Registered office	Class of share	Percentage of shares held	Audit exemption claimed under Section 479A
G.T. Certification Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	Yes
Mason Evans Partnership (Holdings) Limited	The Piazza, 95 Morrison Street, Glasgow, G5 8BE	Ordinary	100	Yes
Concept Engineering Consultants Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	No
In Situ Site Investigation Limited	4 Oak Spinney Business Park, Ratby Lane, Leicester Forest East, Leicester, England, LE3 EAW	Ordinary	100	Yes
Card GeoTechnics Limited	4 Godalming Business Centre, Woolsack Way, Godalming, Surrey, GU7 1XW	Ordinary	100	No
Nicholls Colton Limited	7-11 Harding Street, Leicester, Leicestershire, LE1 4DH	Ordinary	100	Yes
N&C 1965 Limited	7-11 Harding Street, Leicester, Leicestershire, LE1 4DH	Ordinary	100	Yes
Mason Evans Partnership Limited	The Piazza, 95 Morrison Street, Glasgow, G5 8BE	Ordinary	100	No