

Project Steel Midco 1 Limited

Registered number: 11726678

Annual report and audited financial statements

For the year ended 31 December 2022

PROJECT STEEL MIDCO 1 LIMITED

COMPANY INFORMATION

Directors	GM Wood CBE C Shaw M Robson N Baker
Registered number	11726678
Registered office	Corby Innovation Hub Bangrave Road South Corby NN17 1NN
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor One St. Peter's Square Manchester M2 3DE

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PROJECT STEEL MIDCO 1 LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The directors present their Strategic Report for the year ended 31 December 2022.

Business review

The principal activity of the Company is that of an intermediate holding company between the ultimate parent (Project Steel Topco Limited) and the main trading entity (Utility Bidder Limited). The principal activity of the trading subsidiary ('Utility Bidder') is to provide small and medium-sized enterprises ("SMEs") with comparison, switching and intermediary services for utilities and other services. Utility Bidder Limited is one of the leading providers and over the period has continued to grow successfully with more customers using the services.

Principal risks and uncertainties

As an intermediate holding company there are no principal risks or uncertainties other than the recoverability of amounts owed by group undertakings. The principal risks and uncertainties faced by the Group headed by Project Steel Topco Limited ("the Group") are outlined in the financial statements of Project Steel Topco Limited.

Financial key performance indicators

As an intermediate holding company producing services to other group companies there are no financial key performance indicators utilised.

This report was approved by the board on 28 September 2023 and signed on its behalf.

M Robson
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Results and dividends

The loss for the year, after taxation, amounted to £2,147,298 (2021 - loss £2,007,709).

Directors

The directors who served during the year were:

GM Wood CBE
C Shaw
M Robson
N Baker

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Economic impact of global events

UK businesses are currently facing many uncertainties such as the consequences of Brexit, Covid-19, environmental sustainability and geopolitical events such as the Russian invasion of Ukraine. These uncertainties have contributed to an environment where there exists a range of issues and risks, including inflation, rising interest rates, labour shortages, disrupted supply chains and new ways of working.

The directors have carried out an assessment of the potential impact of these uncertainties on the business, including the impact of mitigation measures and have taken account of these potential impacts in their going concern assessment.

Project Steel Midco 1 Limited continues to work with its partners to minimise any impacts of these events and maximise the realisation of any opportunities they may provide to the business.

Going concern

The Group manages its day to day working capital requirements and the levels of cash and cash equivalents, trade debtors and creditors. As set out in the Directors' Report, the Group through 2022 experienced a downturn in business with suppliers either withdrawing price books or only offering short fixed term contracts.

Despite these matters the Group has seen recoveries in overall trading as suppliers have returned with price books and improving contract terms.

The Directors regularly prepare forecasts and mitigating actions that would be taken to help manage the Group's cash positions. The Group's forecasts and projections seek to take account of changes in trading performance and working capital including the effect of the shorter term contracts, supplier consumption reconciliations and clawbacks arising from the closure of customers' businesses.

These forecasts show that the Group can continue to operate and after making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern in preparing its' financial statements.

Disclosure of information to auditor

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

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

Auditor

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

This report was approved by the board on 28 September 2023 and signed on its behalf.

M Robson
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL MIDCO 1 LIMITED

Opinion

We have audited the financial statements of Project Steel Midco 1 Limited (the 'Company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL MIDCO 1 LIMITED

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL MIDCO 1 LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL MIDCO 1 LIMITED

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

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

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

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of the audit report

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

Neil Barton (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants and Statutory Auditor

One St. Peter's Square

Manchester
M2 3DE

28 September 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Interest payable and similar expenses	6	(2,147,298)	(2,007,709)
Loss before tax		<u>(2,147,298)</u>	<u>(2,007,709)</u>
Loss for the financial year		<u><u>(2,147,298)</u></u>	<u><u>(2,007,709)</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 11 to 18 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	8	6,201	6,201
		<u>6,201</u>	<u>6,201</u>
Current assets			
Debtors: amounts falling due within one year	9	17,115,877	17,115,877
		<u>17,115,877</u>	<u>17,115,877</u>
Creditors: amounts falling due within one year	10	(877,423)	(877,423)
		<u>16,238,454</u>	<u>16,238,454</u>
Net current assets			
		<u>16,238,454</u>	<u>16,238,454</u>
Total assets less current liabilities		<u>16,244,655</u>	<u>16,244,655</u>
Creditors: amounts falling due after more than one year	11	(23,653,479)	(21,506,181)
		<u>(7,408,824)</u>	<u>(5,261,526)</u>
Net liabilities			
		<u>(7,408,824)</u>	<u>(5,261,526)</u>
Capital and reserves			
Called up share capital	13	925	925
Share premium account	14	8,325	8,325
Profit and loss account	14	(7,418,074)	(5,270,776)
		<u>(7,408,824)</u>	<u>(5,261,526)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2023.

M Robson
Director

The notes on pages 11 to 18 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2021	925	8,325	(3,263,067)	(3,253,817)
Comprehensive income for the year				
Loss for the year	-	-	(2,007,709)	(2,007,709)
Total comprehensive income for the year	-	-	(2,007,709)	(2,007,709)
At 1 January 2022	925	8,325	(5,270,776)	(5,261,526)
Comprehensive income for the year				
Loss for the year	-	-	(2,147,298)	(2,147,298)
Total comprehensive income for the year	-	-	(2,147,298)	(2,147,298)
At 31 December 2022	925	8,325	(7,418,074)	(7,408,824)

The notes on pages 11 to 18 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

Project Steel Midco 1 Limited ('the Company') is a private company, limited by shares, incorporated in the United Kingdom.

The address of its registered office and principal place of business is:

Corby Innovation Hub

Bangrave Road South

Corby

NN17 1NN

These financial statements have been presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

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 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 judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Project Steel Topco Limited as at 31 December 2022 and these financial statements may be obtained from Corby Innovation hub, Bangrave Road South, Corby, NN17 1NN.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of any part of the United Kingdom and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

2.4 Going concern

The Group manages its day to day working capital requirements and the levels of cash and cash equivalents, trade debtors and creditors. As set out in the Directors' Report, the Group through 2022 experienced a downturn in business with suppliers either withdrawing price books or only offering short fixed term contracts.

Despite these matters the Group has seen recoveries in overall trading as suppliers have returned with price books and improving contract terms.

The Directors regularly prepare forecasts and mitigating actions that would be taken to help manage the Group's cash positions. The Group's forecasts and projections seek to take account of changes in trading performance and working capital including the effect of the shorter term contracts, supplier consumption reconciliations and clawbacks arising from the closure of customers' businesses.

These forecasts show that the Group can continue to operate and after making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern in preparing its' financial statements.

2.5 Finance costs

Finance costs are charged to profit or loss 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.

2.6 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.10 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

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

In applying the Group's accounting policies, the directors are required to make judgments, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgments, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgments, estimates and assumptions, the actual results and outcomes may differ.

As an intermediate holding company, there are not viewed as being any significant judgments or key sources of estimation uncertainty that are applicable other than assessing the recoverability of amounts owed by Group undertakings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Auditor's remuneration

Fees in relation to services provided by the Company's auditors, for audit services, have been borne by Utility Bidder Limited, an indirect subsidiary of and on behalf of the Company.

5. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2022	2021
	No.	No.
Directors	<u>4</u>	<u>4</u>

6. Interest payable and similar expenses

	2022	2021
	£	£
Other loan interest payable	<u>2,147,298</u>	<u>2,007,709</u>

7. Taxation

	2022	2021
	£	£
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(2,147,298)</u>	<u>(2,007,709)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(407,987)	(381,465)
Effects of:		
Remeasurement of deferred tax for changes in tax rates	(122,007)	(265,660)
Movement in deferred tax not recognised	508,364	647,125
Group relief surrendered	21,630	-
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Fixed asset investments

	Investments in subsidiary companies £
Cost and net book value	
At 1 January 2022	6,201
At 31 December 2022	<u>6,201</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Project Steel Midco 2 Limited	Corby Innovation Hub, Bangrave Road South, Corby, NN17 1NN	Ordinary	100%
Project Steel Bidco Limited*	Corby Innovation Hub, Bangrave Road South, Corby, NN17 1NN	Ordinary	88%
Utility Bidder Holdings Limited*	Corby Innovation Hub, Bangrave Road South, Corby, NN17 1NN	Ordinary	100%
Utility Bidder Limited*	Corby Innovation Hub, Bangrave Road South, Corby, NN17 1NN	Ordinary	100%

Subsidiaries marked with a * are held indirectly.

9. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	<u>17,115,877</u>	<u>17,115,877</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	<u>877,423</u>	<u>877,423</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

11. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Loan notes	<u>23,653,479</u>	<u>21,506,181</u>

12. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due 2-5 years		
Other loans	<u>23,653,479</u>	<u>21,506,181</u>

The loan note balance is made up of the following as at 31 December 2022:

12% Fixed Rate Secured A Loan Notes with principal payments amounting to £1,414,210 (2021: £1,414,210) and accrued interest of £527,287 (2021: £357,583);

12% Fixed Rate Secured B Loan Notes with principal payments amounting to £14,022,841 (2021: £14,022,841) and accrued interest of £5,217,752 (2021: £3,535,012);

10% Fixed Rate Unsecured C Loan Notes with principal payments amounting to £507,576 (2021: £507,576) and accrued interest of £148,352 (2021: £97,633); and

0% Unsecured D Loan Notes with principal payments amounting to £2,059,511 (2021: £2,059,511).

Loan arrangement fees totalled £1,080,863 and are being amortised over the life of the loan.

Loan notes fall due on 21 December 2025. The 12% loan notes are secured by a fixed and floating charge over the assets of the Company and Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

13. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
92,500 (2021 - 92,500) Ordinary shares of £0.01 each	<u>925</u>	<u>925</u>

14. Reserves

Share premium account

The share premium account comprises amount paid in excess of the nominal value of issued share capital.

Profit & loss account

This reserve represents the cumulative losses of the Company.

15. Related party transactions

The Company is a wholly-owned subsidiary of Project Steel Topco Limited. Limited and as such has taken advantage of the exemption permitted by Section 33 Related Party Disclosures, not to provide disclosures of transactions entered into with other wholly-owned members of the Group.

At the Statement of Financial Position date, the Company owes £462,732 (2021: £462,732) to Utility Bidder Limited. Utility Bidder Limited is a related party by virtue of holding 88% of the share capital in the Company.

At the Statement of Financial Position date, the Company owes £414,691 (2021: £414,691) to Project Steel Bidco Limited. Project Steel Bidco Limited is a related party by virtue of holding 88% of the share capital in the Company.

16. Controlling party

The ultimate parent and controlling party is Project Steel Topco Limited, its registered office being Corby Innovation Hub, Bangrave Road South, Corby, England, NN17 1NN, and the ultimate controlling party is Sovereign Capital IV Limited Partnership, its registered office address being 25 Victoria Street, London, SW1 0EX.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.