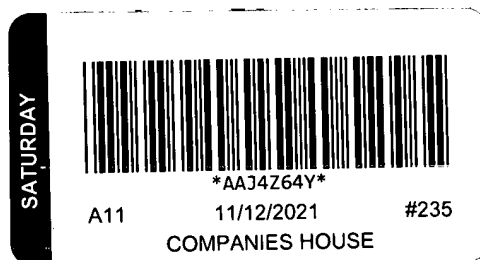


# **Project Steel Bidco Limited**

Registered number: 11728627

## **Annual report and audited financial statements**

**For the year ended 31 December 2020**



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**PROJECT STEEL BIDCO LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	J Longley C Shaw GM Wood CBE M Robson N Baker
<b>Registered number</b>	11728627
<b>Registered office</b>	Corby Innovation Hub Bangrave Road South Corby United Kingdom NN17 1NN
<b>Independent auditor</b>	Mazars LLP Chartered Accountants & Statutory Auditor One St. Peter's Square Manchester M2 3DE

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**PROJECT STEEL BIDCO LIMITED**

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**PROJECT STEEL BIDCO LIMITED**

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**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Introduction**

The Directors present their strategic report for the year ended 31 December 2020.

**Principal activity & review of the business**

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 are outlined in the financial statements of Project Steel TopCo Limited. This includes an assessment of Brexit and COVID-19 implications, there is not viewed to be any standalone impact upon the Company.

**Key performance indicators**

As an intermediate holding company there are no financial key performance indicators utilised.

This report was approved by the board on 10<sup>th</sup> December 2021 and signed on its behalf.



**M Robson**  
Director

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**PROJECT STEEL BIDCO LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their report and the financial statements for the year ended 31 December 2020.

**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 £264,383 (2019 - loss £564,654).

**Directors**

The directors who served during the year were:

J Longley  
C Shaw  
GM Wood CBE  
M Robson  
N Baker (appointed 13 October 2020)

**The withdrawal of the United Kingdom from the European Union**

New trading arrangements between the United Kingdom and the European Union took effect on 31 December 2020. In general, tariffs and quotas on trade have not been introduced, although administrative complications and regulatory restrictions have reduced the freedom of cross-border trade. The company is carefully monitoring the practical application of the new trading arrangements by regulatory authorities, to better understand what the eventual impact on its business will be. The process of determining these effects is ongoing, and has also been delayed by the suspension of certain sectors of economic activity in response to the COVID-19 pandemic.

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**PROJECT STEEL BIDCO LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Economic impact of the COVID-19 pandemic**

The COVID-19 pandemic continues to affect the UK and global economies adversely. At the time of signing this report social restrictions which have suppressed economic activity during 2020 and 2021 have been lifted. The directors expect to see the UK and global economies return to growth in due course, but it is not possible to predict how quickly and to what degree this may happen. The priorities of the directors remain to comply with all regulatory requirements to the fullest extent possible, and to maintain the safety and well-being of the Company's personnel.

**Going concern**

The Group manages its day to day working capital requirements and the levels of cash and cash equivalents, trade debtors and creditors. The Group at the start of the COVID-19 pandemic and the lockdowns initially experienced a downturn in business as well as changes to certain supplier payment terms and consumption reconciliations which the directors managed through strict cost controls and cashflow management.

Between each of the lockdowns the SME business sector has reopened and the Group has seen strong recoveries in overall trading as well as suppliers reverting back to existing payment terms. Due to the impact of the lockdown the directors have also secured a 6 year term CBILS loan totalling £850,000 which as trading recovers will help support the Group's working capital and cashflow position. The CBILS loan does not require any covenant tests over the term of the loan.

The directors have regularly prepared forecasts and mitigating actions that would be taken to help manage the Group's cash positions and which includes the drawdown of the CBILS loan facility in November 2020. The Group's forecasts and projections seek to take account of changes in trading performance and working capital including the effect of the 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 Company 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.

**Post balance sheet events**

The COVID-19 pandemic continues to affect the UK and global economies adversely. At the time of signing this report the government has lifted social restrictions which have suppressed economic activity during 2020 and 2021 to date. The directors therefore expect to see the UK and global economies return to growth in due course, but it is not possible to predict how quickly and to what degree this may happen. The priorities of the directors remain to comply with all regulatory requirements to the fullest extent possible, and to maintain the safety and well-being of the Company's personnel.

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**PROJECT STEEL BIDCO LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**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 10<sup>th</sup> December 2021 and signed on its behalf.



**M Robson**  
Director

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**PROJECT STEEL BIDCO LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL BIDCO LIMITED**

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**Opinion**

We have audited the financial statements of Project Steel Bidco Limited (the 'Company') for the year ended 31 December 2020 which comprise the Income Statement, 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 2020 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.



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**PROJECT STEEL BIDCO LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL BIDCO LIMITED**

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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.

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## **PROJECT STEEL BIDCO LIMITED**

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### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL BIDCO LIMITED**

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#### **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 either the directors intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the company and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. 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.

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 judgements and assumptions in significant accounting estimates, in particular in relation to loss reserves, and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our 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.

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**PROJECT STEEL BIDCO LIMITED**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PROJECT STEEL BIDCO LIMITED**

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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](http://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*

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

Date: 10 December 2021

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**PROJECT STEEL BIDCO LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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		<b>Year ended 31 December 2020 £</b>	<b>Period ended 31 December 2019 £</b>
	<b>Note</b>		
Exceptional items	<b>6</b>	3,474	(58,000)
<b>Operating profit/(loss)</b>		<u>3,474</u>	<u>(58,000)</u>
Interest receivable and similar income	<b>7</b>	-	361
Interest payable and similar expenses	<b>8</b>	(267,857)	(507,015)
<b>Loss before tax</b>		<u>(264,383)</u>	<u>(564,654)</u>
<b>Loss for the financial year</b>		<u><u>(264,383)</u></u>	<u><u>(564,654)</u></u>

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

The notes on pages 12 to 20 form part of these financial statements.

**PROJECT STEEL BIDCO LIMITED**  
**REGISTERED NUMBER: 11728627**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	9	13,468,421	13,468,421
		<u>13,468,421</u>	<u>13,468,421</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	2,304,309	2,392,922
		<u>2,304,309</u>	<u>2,392,922</u>
Creditors: amounts falling due within one year	11	(16,590,027)	(11,683,854)
		<u>(14,285,718)</u>	<u>(9,290,932)</u>
<b>Net current liabilities</b>			
		(14,285,718)	(9,290,932)
<b>Total assets less current liabilities</b>		<u>(817,297)</u>	<u>4,177,489</u>
Creditors: amounts falling due after more than one year	12	-	(4,732,143)
		<u>-</u>	<u>(4,732,143)</u>
<b>Net liabilities</b>		<u>(817,297)</u>	<u>(554,654)</u>
<b>Capital and reserves</b>			
Called up share capital	13	1,017	1,000
Share premium account	14	10,723	9,000
Profit and loss account	14	(829,037)	(564,654)
		<u>(817,297)</u>	<u>(554,654)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 10th December 2021



**M Robson**  
Director

The notes on pages 12 to 20 form part of these financial statements.

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**PROJECT STEEL BIDCO LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(564,654)	(564,654)
<b>Total comprehensive income for the period</b>	-	-	(564,654)	(564,654)
Shares issued during the period	1,000	9,000	-	10,000
<b>Total transactions with owners</b>	1,000	9,000	-	10,000
<b>At 1 January 2020</b>	1,000	9,000	(564,654)	(554,654)
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(264,383)	(264,383)
<b>Total comprehensive income for the year</b>	-	-	(264,383)	(264,383)
Shares issued during the year	17	1,723	-	1,740
<b>Total transactions with owners</b>	17	1,723	-	1,740
<b>At 31 December 2020</b>	1,017	10,723	(829,037)	(817,297)

The notes on pages 12 to 20 form part of these financial statements.

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## PROJECT STEEL BIDCO LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

Project Steel Bidco 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 2020 and these financial statements may be obtained from Corby Innovation Hub, Bangrave Road South, Corby, England, NN17 1NN.

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**PROJECT STEEL BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)****2.3 Going concern**

The Group manages its day to day working capital requirements and the levels of cash and cash equivalents, trade debtors and creditors. The Group at the start of the COVID-19 pandemic and during the lockdowns initially experienced a downturn in business as well as changes to certain supplier payment terms and consumption reconciliations which the Directors managed through strict cost controls and cashflow management.

Between each of the lockdowns the SME business sector has reopened and the Group has seen strong recoveries in overall trading as well as suppliers reverting back to existing payment terms. Due to the impact of the lockdown the Directors have also secured a 6 year term CBILS loan totalling £850,000 which as trading recovers will help support the Group's working capital and cashflow position. The CBILS loan does not require any covenant tests over the term of the loan.

The Directors have regularly prepared forecasts and mitigating actions that would be taken to help manage the Group's cash positions and which includes the drawdown of the CBILS loan facility in November 2020. The Group's forecasts and projections seek to take account of changes in trading performance and working capital including the effect of the 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.

For the Company specifically, it is an intermediate holding company which does not trade. It's ability to remain a going concern is aligned to the Group and the trading company, Utility Bidder Limited, which the Company has indirect ownership of. A letter of support has been obtained from the ultimate parent company ensuring that the Company can meet liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements.

**2.4 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**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 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**2.7 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.



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**PROJECT STEEL BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)****2.8 Creditors**

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

**2.9 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 Income Statement.

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.

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**PROJECT STEEL BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**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 judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, 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 judgements, estimates and assumptions, the actual results and outcomes may differ.

As an intermediate holding Company, there are not viewed as being any significant judgements or key sources of estimation uncertainty that are applicable.

**4. Auditor's remuneration**

	<b>Year ended 31 December 2020 £</b>	<b>Period ended 31 December 2019 £</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	3,200	3,000

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company. The fees are borne by the Company's subsidiary.

**5. Employees**

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

	<b>Year ended 31 December 2020 No.</b>	<b>Period ended 31 December 2019 No.</b>
Directors	5	4

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**PROJECT STEEL BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**6. Exceptional items**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Executive management re-organisation costs	-	58,000
Professional fees	(3,474)	-
	<u>(3,474)</u>	<u>58,000</u>

**7. Interest receivable**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Other interest receivable	-	361
	<u>-</u>	<u>361</u>

**8. Interest payable and similar expenses**

	Year ended 31 December 2020 £	Period ended 31 December 2019 £
Unwinding of discount on deferred consideration	267,857	507,015
	<u>267,857</u>	<u>507,015</u>

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**PROJECT STEEL BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**9. Fixed asset investments**

	<b>Investments in subsidiary companies £</b>
<b>Cost</b>	
At 1 January 2020	13,468,421
At 31 December 2020	<u>13,468,421</u>
<b>Net book value</b>	
At 31 December 2020	<u>13,468,421</u>
At 31 December 2019	<u>13,468,421</u>

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Utility Bidder Holdings Limited	Corby Innovation Hub, Bangrove Road South, Corby, NN17 1NN	Ordinary	100%

Utility Bidder Holdings Limited owns 100% of Utility Bidder Limited which is registered at Corby Innovation Hub, Bangrove Road South, Corby, NN17 1NN.

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**PROJECT STEEL BIDCO LIMITED**

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**10. Debtors**

	2020 £	2019 £
Amounts owed by group undertakings	2,293,607	2,392,920
Other debtors	10,702	2
	<u>2,304,309</u>	<u>2,392,922</u>

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

	2020 £	2019 £
Amounts owed to group undertakings	14,089,001	11,625,854
Deferred consideration	2,500,000	-
Accruals and deferred income	1,026	58,000
	<u>16,590,027</u>	<u>11,683,854</u>

**12. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Deferred consideration	-	4,732,143
	<u>-</u>	<u>4,732,143</u>

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**PROJECT STEEL BIDCO LIMITED**

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**13. Share capital**

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
62,007 (2019 - 62,007) Ordinary 'A' Shares shares of £0.01 each	620	620
6,096 (2019 - 6,096) Ordinary 'B' Shares shares of £0.01 each	61	61
31,896 (2019 - 31,896) Ordinary 'C' Shares shares of £0.01 each	319	319
1,740 (2019 - NIL ) Ordinary 'D' Shares shares of £0.01 each	17	-
	<hr/> 1,017	<hr/> 1,000

All shares rank pari passu in all respects with the exception of equity dividends paid which are made at the discretion of the directors.

**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**

The profit and loss account represent the cumulative profits and losses of the Company less dividends.

**15. Related party transactions**

The company has taken advantage of the exemption permitted by Section 33 'Related Party Disclosures' not to provide disclosures of transactions entered into with wholly owned subsidiaries with the Group.

During the year, the Company issued £500,000 0% unsecured loan notes, including £374,622 to a director of the Company. At the same time, under an option arrangement, the £500,000 0% unsecured loan notes were exchanged for £500,000 0% unsecured loan notes in Project Steel Midco 2 Limited, the immediate parent undertaking.

**16. Post balance sheet events**

The COVID-19 pandemic continues to affect the UK and global economies adversely. At the time of signing this report the government has lifted social restrictions which have suppressed economic activity during 2020 and 2021 to date. The directors therefore expect to see the UK and global economies return to growth in due course, but it is not possible to predict how quickly and to what degree this may happen. The priorities of the directors remain to comply with all regulatory requirements to the fullest extent possible, and to maintain the safety and well-being of the Company's personnel.

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**PROJECT STEEL BIDCO LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Controlling party**

The immediate parent and controlling party is Project Steel Midco 2 Limited, its registered office being Corby Innovation Hub, Bangrave Road South, Corby, England, NN17 1NN.

The ultimate parent 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