

Group Strategic Report, Directors' Report and
Consolidated Financial Statements for the Year Ended 30 April 2022
for
OCU Group Limited

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for the Year Ended 30 April 2022

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DIRECTORS:

V S Bowler
M B Hughes
D A O'Sullivan
D M Snowball

REGISTERED OFFICE:

Artemis House
6 - 8 Greek Street
Stockport
SK3 8AB

REGISTERED NUMBER:

09307607

SENIOR STATUTORY AUDITOR:

Karen Wardell

AUDITORS:

Moore Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London
UB3 1HA

Group Strategic Report
for the Year Ended 30 April 2022

Fair review of the business

The directors were pleased with the results for the year and are optimistic about the long-term prospects for continued growth of the Group.

Principal risks and uncertainties

The Group's strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The key risks which management face are detailed as follows:

Business performance risk

Business performance risk is the risk that the Group may not perform as expected either due to internal factors or due to competitive pressures in the markets in which they operate. The risk is managed through a number of measures: authorisation of forward purchase requirements; ensuring the appropriate management team is in place; budget and business planning; monthly reporting and variance analysis; robust financial controls; review of key performance indicators; and regular forecasting.

Business continuity risk

While there is a reliance on physical infrastructure, the Group operates out of a number of depots which helps mitigate its business continuity risk. The Group ensures that there is sufficient IT support available should an unforeseen event occur. Management are continually implementing and reviewing business continuity and IT disaster recovery plans to ensure any increase in risk arising from future activities is managed.

Health and safety risk

The Group is committed to ensuring a safe working environment. These risks are managed by the Group through strong promotion of health and safety culture and well-defined health and safety policies, facilitated by the employment of a health and safety professional.

Liquidity risk

Available cash headroom is monitored by management on a daily basis taking into account projected operational cash flows coupled with any expected capital or acquisition expenditure. The cash position is reviewed at both company and group level with additional loan facilities in place following the transaction after the year end - as detailed in note 26 - Post Balance Sheet Events, 100% of the issued share capital of O'Connor Trading Holdings Limited (an indirect parent of the company) was acquired by Oat Bidco Limited. The acquisition was partly funded by a £200m term loan and a £30m revolving credit facility was established at the same time, to support the Group's liquidity requirements. In addition, a £50m acquisition facility was established to finance future acquisitions made by the wider group.

Credit risk

Credit risk arises principally on third party revenues. Group policy is aimed at minimising such risk, and requires that deferred terms are granted to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures. Individual exposures are monitored with customers subject to credit limits to ensure the company's exposure to bad debts is not significant.

Price risk

The Group is exposed to materials and associated costs fluctuation price risk on projects. The risk is partly mitigated in contractual negotiations to incorporate indexation or similar price increase mechanisms into the project contract.

Management development risk

Long-term growth of the business depends on the Group's ability to retain and attract personnel of high quality. The risk is managed through development plans which are regularly reviewed and updated. These are accompanied by specific policies in areas such as training, management development and performance management.

Financial and business control

Strong financial and business controls are necessary to ensure the integrity and reliability of financial and other information on which the Group relies for day-to-day operations, external reporting and for long term planning. The Group exercises financial and business control through a combination of qualified and experienced financial personnel; performance analysis; budgeting and cash flow forecasting; and clearly defined approval limits, supported by integrated and proven systems. Between the year end and the date of approval of these financial statements, the Group has further strengthened its finance team and introduced a dedicated Financial Planning and Analysis team to deliver robust processes and controls around budgeting and cash flow forecasting.

Group Strategic Report
for the Year Ended 30 April 2022

Social, ethical and environmental risk

The Group recognises its responsibility to the natural environment and understands the social impact on the areas in which it works. The Group is committed to ensuring there is transparency in its approach to tackling modern slavery throughout its supply chains, and provides training to management on this issue and the Group's policy. The Group includes specific prohibitions against the use of forced, compulsory or trafficked labour in its contracting process.

The Group is implementing and developing environmental practices to reduce the impact of its activities on the environment, protect biodiversity, and where possible use materials, suppliers, people and resources local to the operation.

Future developments

The Group continues to grow organically, recognising there are significant opportunities to assist both existing and new customers in the utilities sector. In addition, the Group recognises the growth opportunity through acquisitions and, to that end, completed three acquisitions after the year end which will provide capacity, depth and synergy to its existing operations. In line with this new phase of growth, the Group is anticipating the potential for further acquisitions which would extend the Group's capacity, expertise and market reach in the utilities sector.

Financial Performance

The directors have determined that the following financial key performance indicators (KPI) are the most effective measure of progress towards achieving the Group's objectives:

KPI's

	30 April 2022	30 April 2021
	£	£
Turnover	295,151,431	219,693,003
Gross Profit	65,510,355	42,626,736
Profit Before Tax	40,546,736	22,713,824

The Group has performed well during the year with the gross profit margin improving on the previous year to 22.2% (2021: 19.4%) and the profit before tax margin increasing to 13.7% (2021: 10.3%).

Earnings before interest, taxation, depreciation and amortisation (EBITDA) amounted to £45,494,136 (2021: £26,924,269).

SECTION 172(1) STATEMENT

The Group has worked since the 1990's to build a responsible, inclusive and sustainable business both economically and environmentally. The directors maintain that all decisions are made in the long term interests of the Group and its many and varied stakeholders.

The communities in which the Group operates are key to the Group's operations and long term strategic development. The directors are committed to all parties they are responsible to and continue to strive towards making positive contribution in all areas.

The Group's employees are a mainstay of the business and the Group's success is dependant on its commitment to employees and its ability to attract, retain and develop relevant skill sets. The labour market faces many challenges at the moment with tumultuous change, scarce supply in terms of both numbers and skill levels. The directors acknowledge this environment and remain committed to long term investment and advancement of the Group's workforce.

The Group is committed to taking time to understand customer requirements and build on the knowledge source available to keep customer needs and requirements at the forefront of day to day operations. The directors are also equally committed to maintaining strong relationships with suppliers and the supply chain understanding their responsibility to fairness and sustainability. Such supply chains in themselves are facing notable challenges in the current climate, which are acknowledged by the Group and managed via regular communication, adapted where possible in a spirit of creating enduring procurement partnerships.

The Group also understands that it operates in a progressive and developing industry which is crucial to a strong national economy. Its commitment to health and safety standards, investment in secure information technology along with investment in design and development are as important as its continued investment in the most advanced and up to date plant, equipment and machinery.

The directors value the support of all the communities and stakeholders with whom the Group engages.

ON BEHALF OF THE BOARD:

D M Snowball - Director

30 January 2023

Directors' Report
for the Year Ended 30 April 2022

The directors present their report with the financial statements of the Company and the Group for the year ended 30 April 2022.

PRINCIPAL ACTIVITY

The principal activity of the company was that of a holding company. The principal activity of the Group continued to be that of a multi-utility services specialist operating within regulated infrastructure.

DIVIDENDS

No dividends will be distributed for the year ended 30 April 2022.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is contained in note 26, Post Balance Sheet Events.

DIRECTORS

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

T G O'Connor	(Resigned 4 August 2022)
T J O'Connor	(Resigned 4 August 2022)
C O'Connor	(Resigned 4 August 2022)
S O'Connor	(Resigned 4 August 2022)
V S Bowler	(Appointed 4 August 2022)
D A O'Sullivan	(Appointed 4 August 2022)
M B Hughes	(Appointed 4 August 2022)
D M Snowball	(Appointed 6 October 2022)

RESULTS

The results for the year are set out on page 11.

DISABILITY DISCRIMINATION

Under the Equality Act a disabled person is anyone with "a physical or mental impairment that has a substantial and long-term adverse effect upon his/her ability to carry out day-to-day activities". We have a duty to make reasonable adjustments where possible to prevent a disabled person from experiencing a substantial disadvantage in comparison with persons who are not disabled. Applications for employment by disabled persons are always welcome and fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with OCU continues and that appropriate training is arranged. As far as possible, we ensure that the training, career development and promotion of disabled persons is the same as that of other colleagues.

STREAMLINED ENERGY AND CARBON REPORTING

OCU Group Limited is committed to reporting in accordance with the Streamlined Energy and Carbon Reporting (SECR) requirements as per the Companies (Director's Report) and Limited Liability Partnerships (Energy & Carbon Report) Regulations 2018.

For the purposes of SECR, OCU Group Limited is deemed to be an "unquoted organisation". CO₂e figures are derived from use of UK Government 2021 conversion factors. The information below covers both OCU Utility Services Limited (formerly O'Connor Utilities Limited) and OCU Services Limited (formerly Instalcom Limited) with the other subsidiaries within the Group excluded due to their size.

SCOPE 1 Emissions

Gas Usage - 415,615 kWh
Kerosene- 4,469 Litres
CO₂e - 87.5 tonnes

Fuel Usage

Diesel Fuel for Plant - 834,339 Litres
Diesel Fuel for Vehicles - 4,549,043 Litres
Petrol Fuel for Vehicles & small Plant - 333,218 Litres
LPG (propane) - 75795 Litres
CO₂e - 14,578.3 tonnes

Directors' Report
for the Year Ended 30 April 2022

SCOPE 2 Emissions

Electricity from Renewables - 339,691 kWh

Electricity Usage - 675,232 kWh

CO₂e - 143.3 tonnes

SCOPE 3 Emissions

Works are ongoing to establish scope 3 emissions.

	2021	2022	% Change
Total GHG - tCO ₂ e	15,393	14,809	-3.8%
Revenue (£'000)	219,693	295,151	34.3%
Emissions Intensity tCO ₂ e/£M	70.0	50.2	-28.3%

Quantification and reporting methodology

The group has followed the 2019 HM Government Environmental Reporting Guidelines. The group has also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per total £m sales revenue, a standard intensity metric that enables year on year comparison.

Energy efficiency action

Increasing the Groups energy efficiency is a key focus for the Group with principal actions being taken including, but not limited to the following:

- Moving vehicle fleet from fossil fuels to hybrid or full electric;
- Training modules for the Groups Fleet operators scheme covering energy efficient driving;
- Investigating other technologies as they emerge including having discussions on hydrogen aftermarket bolt on for vehicles and plant.

STRATEGIC REPORT

The Group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the Group's Strategic Report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments and exposure to liquidity, credit and price risk.

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.

AUDITORS

The auditors, Moore Kingston Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

D M Snowball - Director

30 January 2023

Directors' Responsibilities Statement
for the Year Ended 30 April 2022

The directors are responsible for preparing the Group 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 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.

Opinion

We have audited the financial statements of OCU Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 April 2022 which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and the parent company's affairs as at 30 April 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 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 Strategic Report and the Directors' Report.

Independent Auditors' Report to the Members of
OCU Group Limited

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 Directors' Responsibilities Statement set out on page 7, 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 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.

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.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the group and parent and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the group and parent complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 for no purpose other than to draw to the attention of the company's members those matters we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

Karen Wardell (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP
The Shipping Building
The Old Vinyl Factory
Blyth Road
Hayes
London
UB3 1HA

30 January 2023

Consolidated Statement of Comprehensive Income
for the Year Ended 30 April 2022

	Notes	30.4.22 £	30.4.21 £
TURNOVER	3	295,151,431	219,693,003
Cost of sales		<u>229,641,076</u>	<u>177,066,267</u>
GROSS PROFIT		65,510,355	42,626,736
Administrative expenses		<u>24,765,271</u>	<u>20,400,045</u>
		40,745,084	22,226,691
Other operating income		-	623,207
OPERATING PROFIT	5	<u>40,745,084</u>	<u>22,849,898</u>
Interest receivable and similar income	7	<u>40,084</u>	<u>22,278</u>
		40,785,168	22,872,176
Interest payable and similar expenses	8	<u>238,432</u>	<u>158,352</u>
PROFIT BEFORE TAXATION		40,546,736	22,713,824
Tax on profit	9	<u>7,794,127</u>	<u>3,781,879</u>
PROFIT FOR THE FINANCIAL YEAR		32,752,609	18,931,945
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		<u>32,752,609</u>	<u>18,931,945</u>
FOR THE YEAR			
Profit attributable to:			
Owners of the parent		<u>32,752,609</u>	<u>18,931,945</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>32,752,609</u>	<u>18,931,945</u>

The notes form part of these financial statements

Consolidated Balance Sheet
30 April 2022

	Notes	30.4.22 £	£	30.4.21 £	£
FIXED ASSETS					
Intangible assets	12		174,211		-
Tangible assets	13		15,875,712		16,193,644
Investments	14		-		-
			<u>16,049,923</u>		<u>16,193,644</u>
CURRENT ASSETS					
Stocks	15	5,076,062		307,294	
Debtors	16	98,068,318		70,419,835	
Cash at bank and in hand		<u>49,072,441</u>		<u>29,174,123</u>	
		152,216,821		99,901,252	
CREDITORS					
Amounts falling due within one year	17	<u>63,334,170</u>		<u>44,348,476</u>	
NET CURRENT ASSETS			<u>88,882,651</u>		<u>55,552,776</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			104,932,574		71,746,420
CREDITORS					
Amounts falling due after more than one year	18		(2,608,966)		(2,435,884)
PROVISIONS FOR LIABILITIES	21		<u>(787,334)</u>		<u>(526,871)</u>
NET ASSETS			<u>101,536,274</u>		<u>68,783,665</u>
CAPITAL AND RESERVES					
Called up share capital	22		120,000		120,000
Share premium			794,800		794,800
Retained earnings			<u>100,621,474</u>		<u>67,868,865</u>
SHAREHOLDERS' FUNDS			<u>101,536,274</u>		<u>68,783,665</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 January 2023 and were signed on its behalf by:

D M Snowball - Director

Company Balance Sheet
30 April 2022

	Notes	30.4.22 £	£	30.4.21 £	£
FIXED ASSETS					
Intangible assets	12	-	-	-	-
Tangible assets	13	-	-	-	-
Investments	14	250,300	250,300	250,300	250,300
		250,300		250,300	
CURRENT ASSETS					
Debtors	16	825,200	815,200	815,200	
Cash at bank		33,890	651	651	
		859,090	815,851	815,851	
CREDITORS					
Amounts falling due within one year	17	251,300	151,300	151,300	
NET CURRENT ASSETS			607,790	664,551	
TOTAL ASSETS LESS CURRENT LIABILITIES			858,090	914,851	
CAPITAL AND RESERVES					
Called up share capital	22	120,000	120,000	120,000	
Share premium		794,800	794,800	794,800	
Retained earnings		(56,710)	51	51	
SHAREHOLDERS' FUNDS		858,090	914,851	914,851	
Company's (loss)/profit for the financial year		(56,761)	17,215,811	17,215,811	

The financial statements were approved by the Board of Directors and authorised for issue on 30 January 2023 and were signed on its behalf by:

D M Snowball - Director

Consolidated Statement of Changes in Equity
for the Year Ended 30 April 2022

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
Balance at 1 May 2020	100,000	65,800,778	-	351,902	66,252,680
Changes in equity					
Profit for the year	-	18,931,945	-	-	18,931,945
Other comprehensive income	-	351,902	-	(351,902)	-
Total comprehensive income	-	19,283,847	-	(351,902)	18,931,945
Issue of share capital	20,000	-	794,800	-	814,800
Dividends	-	(17,215,760)	-	-	(17,215,760)
Balance at 30 April 2021	120,000	67,868,865	794,800	-	68,783,665
Changes in equity					
Profit for the year	-	32,752,609	-	-	32,752,609
Total comprehensive income	-	32,752,609	-	-	32,752,609
Balance at 30 April 2022	120,000	100,621,474	794,800	-	101,536,274

The notes form part of these financial statements

Company Statement of Changes in Equity
for the Year Ended 30 April 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 May 2020	100,000	-	-	100,000
Changes in equity				
Issue of share capital	20,000	-	794,800	814,800
Total comprehensive income	-	17,215,811	-	17,215,811
Dividends	-	(17,215,760)	-	(17,215,760)
Balance at 30 April 2021	<u>120,000</u>	<u>51</u>	<u>794,800</u>	<u>914,851</u>
Changes in equity				
Total comprehensive income	-	(56,761)	-	(56,761)
Balance at 30 April 2022	<u>120,000</u>	<u>(56,710)</u>	<u>794,800</u>	<u>858,090</u>

Consolidated Cash Flow Statement
for the Year Ended 30 April 2022

	Notes	30.4.22 £	30.4.21 £
Cash flows from operating activities			
Cash generated from operations	1	28,836,843	12,526,567
Interest paid		(73,651)	(7,773)
Interest element of hire purchase and finance lease rental payments paid		(164,781)	(150,579)
Tax paid		(5,169,845)	(2,269,770)
Net cash from operating activities		<u>23,428,566</u>	<u>10,098,445</u>
Cash flows from investing activities			
Acquisition of business		(180,334)	-
Purchase of tangible fixed assets		(5,530,638)	(8,675,830)
Purchase of investment property		-	(440,000)
Sale of tangible fixed assets		2,465,797	2,628,866
Sale of investment property		-	440,000
Interest received		40,084	22,278
Net cash from investing activities		<u>(3,205,091)</u>	<u>(6,024,686)</u>
Cash flows from financing activities			
Loan repayments in year		-	(4,068,835)
Net (payments)/proceeds from borrowings		(325,157)	1,208,703
Net cash from financing activities		<u>(325,157)</u>	<u>(2,860,132)</u>
Increase in cash and cash equivalents		<u>19,898,318</u>	<u>1,213,627</u>
Cash and cash equivalents at beginning of year	2	29,174,123	27,960,496
Cash and cash equivalents at end of year	2	<u>49,072,441</u>	<u>29,174,123</u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement
for the Year Ended 30 April 2022**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	30.4.22 £	30.4.21 £
Profit before taxation	40,546,736	22,713,824
Depreciation charges	4,749,052	4,074,371
Profit on disposal of fixed assets	(967,008)	(447,193)
Other provisions	85,000	(85,000)
Related party balance movements	68,297	(9,865,771)
Finance costs	238,432	158,352
Finance income	(40,084)	(22,278)
	<u>44,680,425</u>	<u>16,526,305</u>
Increase in stocks	(4,768,768)	(258,294)
Increase in trade and other debtors	(27,582,126)	(3,016,743)
Increase/(decrease) in trade and other creditors	<u>16,507,312</u>	<u>(724,701)</u>
Cash generated from operations	<u><u>28,836,843</u></u>	<u><u>12,526,567</u></u>

2. 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:

Year ended 30 April 2022

	30.4.22 £	1.5.21 £
Cash and cash equivalents	<u>49,072,441</u>	<u>29,174,123</u>

Year ended 30 April 2021

	30.4.21 £	1.5.20 £
Cash and cash equivalents	<u>29,174,123</u>	<u>27,960,496</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.5.21 £	Cash flow £	At 30.4.22 £
Net cash			
Cash at bank and in hand	<u>29,174,123</u>	<u>19,898,318</u>	<u>49,072,441</u>
	<u>29,174,123</u>	<u>19,898,318</u>	<u>49,072,441</u>
Debt			
Hire purchase and finance leases	<u>(6,053,290)</u>	<u>325,157</u>	<u>(5,728,133)</u>
	<u>(6,053,290)</u>	<u>325,157</u>	<u>(5,728,133)</u>
Total	<u><u>23,120,833</u></u>	<u><u>20,223,475</u></u>	<u><u>43,344,308</u></u>

Notes to the Consolidated Financial Statements
for the Year Ended 30 April 2022

1. **ACCOUNTING POLICIES**

Company information

OCU Group Limited is a private limited company limited by shares domiciled and incorporated in England and Wales. The registered office is Artemis House, 6 - 8 Greek Street, Stockport, SK3 8AB.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention modified by the recognition of investment property measured at fair value. The principal accounting policies adopted are set out below.

Basis of Consolidation

In the parent company financial statements, 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. Investments in subsidiaries are accounted for at cost less impairment.

The consolidated financial statements incorporate those of OCU Group Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 April 2022. 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 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.

Note that OCU (Trenchless) Limited (formerly O'Connor HDD Limited) and OCU (Property Estates) Limited (formerly O'Connor Property Estates Limited) were exempt from audit by virtue of Section 479A of Companies Act 2006.

Going concern

The Group has been profitable and cash generative during the year ended 30 April 2022, and has continued to generate robust operating profits in the period to the approval of these financial statements. The Directors have assessed the principal risks facing the Group and determined that there are no material uncertainties to disclose.

Subsequent to the year end, 100% of the issued share capital of OCU Holdings Limited (formerly O'Connor Trading Holdings Limited) (the immediate parent company of OCU Group Limited) was acquired by Oat Bidco Limited (see note 26 - Post Balance Sheet Events). This acquisition had no direct impact on the financial performance of the Group as reported in these financial statements. Dividends totalling £41.5m were paid upstream of the Group prior to the acquisition and management are comfortable that significant distributable reserves remain in the operating group.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

Going concern - continued

The acquisition was partially funded via a term loan taken out by Oat Bidco Limited, an intermediate holding company in the new group structure. This loan will be reported within the consolidated accounts prepared for the new group going forwards with companies reported in these financial statements being guarantors to the loan facility. Management gave due consideration to the ability of the Group to meet the cash flow obligations introduced by this loan prior to raising the debt and remain comfortable that the Group's cash flow forecasts show sufficient headroom on its ability to make payments as they fall due. At the date of approval of these accounts, the Group has access to undrawn funds of £22.3m on a revolving credit facility obtained alongside the term loan, providing additional comfort in its ability to meet short term cash flow requirements.

The Group continues to present a strong balance sheet and cash position and the Group's cash flow forecasts support the Directors' expectations that the business will be able to meet its obligations as they fall due. As a result, at the time of approving these financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements, and for the foreseeable future thereafter. Consequently, they have continued to adopt the going concern basis of accounting in preparing these financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the value of work completed, which is assessed by quantity surveyors and agreed with the customer. At period ends, income is accrued or deferred accordingly. Costs incurred to date are also recognised as incurred and accrued as appropriate to match the recognition of revenue.

Goodwill

Goodwill arising on consolidation represents the excess of the consideration paid and the amount of any non-controlling interest in the acquiree over the fair value of the identifiable assets and liabilities (including intangible assets) of the acquired entity at the date of the acquisition. Negative goodwill is the excess of the identifiable assets and liabilities (including intangible assets) over the consideration paid. Any impairment in value is recognised within the income statement.

Goodwill has arisen in the year in the acquisition of shares in F.K.S. (UK) Limited and is being amortised evenly over its estimated useful life of 10 years.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	- 33% on reducing balance, 25% on reducing balance and 2% on cost
Fixtures and fittings	- 33% on reducing balance, 25% on reducing balance
Motor vehicles	- 25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, as is recognised in the profit and loss account.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

1. **ACCOUNTING POLICIES - continued**

Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. In the prior period, items of inventory acquired for contracts were included within accrued income on those contracts. In the current period such items continue to be presented as stock until they have been incorporated into the project so as to qualify for recognition as a component of work in progress under the Group's revenue recognition policy.

Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

1. **ACCOUNTING POLICIES - continued**

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

1. **ACCOUNTING POLICIES - continued**

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

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.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

1. **ACCOUNTING POLICIES - continued**

Leases - continued

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2. **JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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.

Revenue recognition

Revenue from contracts for the provision of professional services is recognised by reference to the value of work completed, which is assessed by quantity surveyors and agreed with the customer. The value of the work completed is therefore reliant on the judgement of quantity surveyors.

Recoverability of debtors

The group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Useful economic life of tangible fixed assets

The annual depreciation charge for tangible fixed 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 note 13 for the carrying amount of the property, plant and equipment and note 1 for the useful economic lives for each class of asset.

3. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	30.4.22	30.4.21
	£	£
Provision of Services	295,151,431	219,693,003
	<u>295,151,431</u>	<u>219,693,003</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

3. **TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	30.4.22	30.4.21
	£	£
United Kingdom	295,022,363	216,665,560
Europe	129,068	3,027,443
	<u>295,151,431</u>	<u>219,693,003</u>

4. **EMPLOYEES AND DIRECTORS**

	30.4.22	30.4.21
	£	£
Wages and salaries	18,917,982	12,888,773
Social security costs	1,912,246	1,509,980
Other pension costs	846,845	810,021
	<u>21,677,073</u>	<u>15,208,774</u>

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

	30.4.22	30.4.21
Directors	4	4
Management	7	7
Administration	<u>409</u>	<u>320</u>
	<u>420</u>	<u>331</u>

The directors' remuneration reflects benefits in kind for directors that do not have employment contracts and are therefore not included in the average number of employees.

	30.4.22	30.4.21
	£	£
Directors' remuneration	<u>157,851</u>	<u>51,114</u>

5. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	30.4.22	30.4.21
	As re-stated	
	£	£
Hire of plant and machinery	7,806,219	4,138,883
Depreciation - owned assets	1,978,413	3,069,479
Depreciation - assets on hire purchase contracts and finance leases	2,770,639	1,004,892
Profit on disposal of fixed assets	(967,008)	(447,193)
Exchange (gains)/losses	82,474	2,088
Operating lease charges	1,306,390	144,575

The comparative for operating lease charges has been re-stated to reflect the correct operating lease charge for the year ended 30 April 2021.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

6. AUDITORS' REMUNERATION

	30.4.22	30.4.21
£		
Fees payable to the Group's and Company's auditors and their associates for the audit of the Group's and Company's financial statements	142,500	107,500
Auditors' remuneration for non audit work	15,800	-
Total fees payable	<u>158,300</u>	<u>107,500</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.4.22	30.4.21
£		
Deposit account interest	<u>40,084</u>	<u>22,278</u>

Investment income includes interest on financial assets not measured at fair value through profit or loss.

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.4.22	30.4.21
£		
Bank interest	59,403	5,026
Interest charged	14,248	2,747
Hire purchase	<u>164,781</u>	<u>150,579</u>
	<u>238,432</u>	<u>158,352</u>

9. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	30.4.22	30.4.21
£		
Current tax:		
UK corporation tax	7,660,311	4,549,365
Adjustments to prior periods	-	(875,428)
Total current tax	<u>7,660,311</u>	<u>3,673,937</u>
Deferred tax	<u>133,816</u>	<u>107,942</u>
Tax on profit	<u>7,794,127</u>	<u>3,781,879</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

9. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	30.4.22 £	30.4.21 £
Profit before tax	40,546,736	22,713,824
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	7,703,880	4,315,627
Effects of:		
Expenses not deductible for tax purposes	12,203	7,832
Income not taxable for tax purposes	(183,732)	(86,840)
Depreciation in excess of capital allowances	261,776	67,321
Adjustments to tax charge in respect of previous periods	-	(437,714)
Profit movement on consolidation	-	(84,347)
Total tax charge	<u>7,794,127</u>	<u>3,781,879</u>

10. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

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

11. **DIVIDENDS**

	30.4.22 £	30.4.21 £
Ordinary A shares of £1 each		
Dividends	-	17,215,760

12. **INTANGIBLE FIXED ASSETS**

Group

	Goodwill £
COST	
Additions	174,211
At 30 April 2022	<u>174,211</u>
NET BOOK VALUE	
At 30 April 2022	<u>174,211</u>

Details of the goodwill calculation are disclosed in note 28 of these financial statements.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

13. TANGIBLE FIXED ASSETS

Group	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
COST				
At 1 May 2021	30,388,379	1,050,996	106,981	31,546,356
On acquisition	458,203	25,226	367,153	850,582
Additions	5,353,503	95,135	82,000	5,530,638
Disposal	(4,656,811)	-	(65,585)	(4,722,396)
At 30 April 2022	<u>31,543,274</u>	<u>1,171,357</u>	<u>490,549</u>	<u>33,205,180</u>
DEPRECIATION				
At 1 May 2021	14,736,919	562,127	53,666	15,352,712
On acquisition	187,249	22,802	241,260	451,311
Charge for period	4,647,416	79,057	22,579	4,749,052
Eliminated on disposal	(3,184,249)	-	(39,358)	3,223,607
At 30 April 2022	<u>16,387,335</u>	<u>663,986</u>	<u>278,147</u>	<u>17,329,468</u>
NET BOOK VALUE				
At 30 April 2022	<u>15,155,939</u>	<u>507,371</u>	<u>212,402</u>	<u>15,875,712</u>
At 30 April 2021	<u>15,651,460</u>	<u>488,869</u>	<u>53,315</u>	<u>16,193,644</u>

On acquisition assets have been included at fair value.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

	30.4.22	30.4.21
		As re-stated
£	£	
Plant and equipment	8,076,131	8,546,389
Motor vehicles	<u>75,167</u>	<u>-</u>
	<u>8,151,298</u>	<u>8,546,389</u>
Depreciation charge for the year in respect of leased assets	<u>2,770,639</u>	<u>2,133,409</u>

The comparative amounts for assets held under finance leases or hire purchase contracts have been re-stated to show the correct net carrying value and depreciation charge for the prior year.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

14. **FIXED ASSET INVESTMENTS**

Company

Shares in
group
undertakings
£

COST

At 1 May 2021
and 30 April 2022

250,300

NET BOOK VALUE

At 30 April 2022
At 30 April 2021

250,300

250,300

Details of the company's subsidiaries at 30 April 2022 are as follows;

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
OCU Utility Services Limited	Artemis House, 6-8 Greek Street, Stockport, SK8 8AB	Cable installation and ancillary services	Ordinary	100	-
OCU Services Limited	Artemis House, 6-8 Greek Street, Stockport, SK8 8AB	Cable installation and ancillary services	Ordinary	100	-
OCU (Plant) Limited	Artemis House, 6-8 Greek Street, Stockport, SK8 8AB	Hire of plant and machinery	Ordinary	100	-
OCU (Trenchless) Limited	Artemis House, 6-8 Greek Street, Stockport, SK8 8AB	Dormant	Ordinary	100	-
OCU (Property Estates) Limited	Artemis House, 6-8 Greek Street, Stockport, SK8 8AB	Dormant	Ordinary	100	-
F.K.S.(UK) Limited	Artemis House, 6-8 Greek Street, Stockport, SK8 8AB	Telecom cable installation and ancillary services	Ordinary	-	100

15. **STOCKS**

	Group	
	30.4.22	30.4.21
	£	£
Stocks	5,076,062	307,294

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

16. **DEBTORS**

	Group		Company	
	30.4.22 £	30.4.21 £	30.4.22 £	30.4.21 £
Amounts falling due within one year:				
Trade debtors	24,542,785	20,106,851	-	-
Amounts owed by group undertakings	11,722,119	9,865,871	183,334	183,334
Other debtors	2,236,011	3,519,480	10,000	-
Unpaid share capital	631,866	631,866	631,866	631,866
Prepayments and accrued income	55,230,825	32,920,373	-	-
	<u>94,363,606</u>	<u>67,044,441</u>	<u>825,200</u>	<u>815,200</u>
Amounts falling due after more than one year:				
Other debtors	<u>3,704,712</u>	<u>3,375,394</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>98,068,318</u>	<u>70,419,835</u>	<u>825,200</u>	<u>815,200</u>

Amounts falling due after one year reflect the contract retentions earned but not due for release in the next 12 months.

17. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	30.4.22 £	30.4.21 £	30.4.22 £	30.4.21 £
Hire purchase contracts and finance leases (see note 19)	3,269,167	3,617,406	-	-
Trade creditors	17,897,519	13,390,363	-	-
Amounts owed to group undertakings	-	100	251,300	151,300
Tax	5,596,153	3,019,592	-	-
Social security and other taxes	12,560,326	7,199,944	-	-
Other creditors	4,578,109	2,815,646	-	-
Accruals and deferred income	19,432,896	14,305,425	-	-
	<u>63,334,170</u>	<u>44,348,476</u>	<u>251,300</u>	<u>151,300</u>

18. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group	
	30.4.22 £	30.4.21 £
Hire purchase contracts and finance leases (see note 19)	2,458,966	2,435,884
Other creditors	<u>150,000</u>	<u>-</u>
	<u>2,608,966</u>	<u>2,435,884</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts		Finance leases	
	30.4.22	30.4.21	30.4.22	30.4.21
	£	£	£	£
Net obligations repayable:				
Within one year	3,269,167	3,617,406	-	-
Between one and five years	<u>2,418,988</u>	<u>2,435,884</u>	<u>39,978</u>	<u>-</u>
	<u>5,688,155</u>	<u>6,053,290</u>	<u>39,978</u>	<u>-</u>

Operating lease commitments

At the reporting end date the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows;

	30.4.22	30.4.21
	As re-stated	
	£	£
Within one year	1,522,198	1,306,390
Between two and five years	4,452,061	4,801,984
In over five years	<u>16,932,329</u>	<u>19,390,753</u>
	<u>22,906,588</u>	<u>25,499,127</u>

The obligations under finance leases are secured over the assets that they relate to.

20. FINANCIAL INSTRUMENTS

	Group		Company	
	30.4.22	30.4.21	30.4.22	30.4.21
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	<u>95,503,256</u>	<u>67,855,804</u>	<u>815,200</u>	<u>815,200</u>
Carrying amount of financial liabilities				
Measured at amortised cost	<u>42,525,570</u>	<u>31,191,627</u>	<u>151,300</u>	<u>151,300</u>

21. PROVISIONS FOR LIABILITIES

	Group	
	30.4.22	30.4.21
	£	£
Deferred tax	<u>447,334</u>	<u>271,871</u>
Other provisions		
Insurance liability provision	<u>340,000</u>	<u>255,000</u>
Aggregate amounts	<u>787,334</u>	<u>526,871</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

21. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £	Other provisions £
Balance at 1 May 2021	271,871	255,000
Charge to profit	133,816	85,000
On acquisition	41,647	-
Balance at 30 April 2022	<u>447,334</u>	<u>340,000</u>

The deferred tax liability relates wholly to accelerated capital allowances.

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.4.22 £	30.4.21 £
100,000	Ordinary A	£1	<u>100,000</u>	<u>100,000</u>
Allotted and issued:				
Number:	Class:	Nominal value:	30.4.22 £	30.4.21 £
20,000	Ordinary B	£1	<u>20,000</u>	<u>20,000</u>

Ordinary A shares entitle the holders to 100% of the voting rights, dividends and capital distribution.

Ordinary B shares are not entitled voting rights or dividends.

23. PENSION COMMITMENTS

Defined contribution schemes

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

The charge to the profit and loss in respect of defined contribution schemes was £846,845 (2021: £810,021).

At the year end, there was an outstanding credit balance of £6,644 (2021: £21,313).

24. ULTIMATE PARENT COMPANY

At the balance sheet date, the Company's immediate parent undertaking was OCU Holdings Limited (formerly O'Connor Trading Holdings Limited) and ultimate parent undertaking was O'Connor Group Topco Limited. After the year ended, O'Connor Group Topco Limited disposed of its holding in the Group and OCU Holdings Limited (formerly O'Connor Trading Holdings Limited) remained the immediate parent undertaking. Since the year end, the ultimate parent undertaking is Triton Managers V Limited, a Company incorporated in Jersey.

OCU Group Limited is the smallest group to consolidate these financial statements. O'Connor Group Topco Limited is the largest group to consolidate these financial statements. Consolidated accounts for O'Connor Group Topco Limited and its subsidiaries are publically available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

25. RELATED PARTY DISCLOSURES

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.

Remuneration of key management personnel

The remuneration of key management personnel is as follows:

		2022	2021
£	£		
Aggregate compensation		<u>1,667,310</u>	<u>1,810,482</u>

Related party transactions

During the year the group paid rent to a partnership between the directors T G O'Connor and T J O'Connor of £75,000 (2021: £72,000).

During the year the group paid rent amounting to £446,998 (2021: £365,753) to, and received £127,415 (2021: £5,911,557) in consideration for fixed assets sold to O'Connor Properties Limited. At the balance sheet date, the group was owed £152,899 (2021: £6,252,807) by, and owed £nil (2021: £143,211) to O'Connor Properties Limited. T J O'Connor and T G O'Connor who were directors of the company throughout the year are also directors of O'Connor Properties Limited.

O'Connor Concrete Limited is a company in which the directors T G O'Connor and T J O'Connor, are shareholders and directors. During the year the group made purchases of £301,851 (2021: £413,208) from O'Connor Concrete Limited and recharged costs of £1,728,592 (2021: £995,000) to O'Connor Concrete Limited. At the year end, £nil (2021: £535,000) included in accrued income is due from O'Connor Concrete Limited, £22,328 (2021: £nil) included in trade debtors is due from O'Connor Concrete Limited and £nil (2021: £28,965) included in trade creditors is owed to O'Connor Concrete Limited.

During the year the group paid rent of £125,000 (2021: £135,417) to O'Connor Utilities Limited Retirement Benefits Scheme, the pension fund of T G O'Connor and T J O'Connor.

At the year end, £912,251, included in other debtors, was jointly owed to the group by T G O'Connor and T J O'Connor (2021: £395,241 owed by T G O'Connor, T J O'Connor and L Moran). The maximum amount owed to the group by the directors during the year was £912,251. During the year, the group made loans amounting to £906,494 (2021: £870,241) to the directors and the directors made repayments amounting to £389,485 (2021: £2,909,928) to the group against the loans.

During the year the group made sales of £1,958,311 (2021: £690,000) to T J O'Connor. At the year end, £1,343,311 (2021: £nil) included in trade debtors is due from T J O'Connor. Transactions relate to work performed on properties held by the director.

At the year end, included in debtors is a loan amount of £218,499 (2021: £218,499) due from a director of OCU Services Limited (formerly Instalcom Limited). During the period, advances of £nil (2021: £1,750,000) and repayments amounting to £nil (2021: £1,750,000) were made against the loan. Interest is not chargeable on the loan.

During the year, the group made an interest free loan of £nil (2021: £330,000) to Breda Fairey who is the sister of T G O'Connor and T J O'Connor. Repayments amounting to £330,000 were made to the group by Breda Fairey during the year. At the balance sheet date, £nil (2021: £330,000) was outstanding.

Related party transactions continued

During the year, the company made purchases amounting to £78,000 (2021: £78,000) from Portrack OCL Limited, a company controlled by the children of T J O'Connor. At the balance sheet date, the group was owed £nil (2021: £477,583) by Portrack OCL Limited.

26. **POST BALANCE SHEET EVENTS**

Acquisition of Opals Limited

On 9 August 2022, the company acquired 100% of the issued share capital of Opals (UK) Limited and Opals Services Limited for an upfront consideration of £7,635,111, with further deferred consideration due on the first and second anniversaries of the acquisition. Opals is a network infrastructure company based in the UK, and this acquisition enhances the Group's ability to provide utilities services to its customers in this area. Due to the proximity of the acquisition date to the date of approval of these financial statements, an exercise to identify the fair value of assets acquired has not yet been completed.

Acquisition of InICT Limited

On 29 September, 2022 the Group acquired 60% of the issued share capital of InICT Limited ("InICT") for a consideration of £1,163,319, alongside a put/call option over the remaining 40% of shares with an exercise date on 30 June 2025. InICT provides sub-contracting services for infrastructure projects, and therefore serves to enhance the Group's delivery capacity. Due to the proximity of the acquisition date to the date of approval of these financial statements, an exercise to identify the fair value of assets acquired has not yet been completed.

Acquisition of OCU Holdings Limited (formerly O'Connor Trading Holdings Limited)

On 4 August 2022, 100% of the issued share capital of OCU Holdings Limited (the immediate parent company of OCU Group Limited) was acquired by Oat Bidco Limited. The ultimate parent undertaking is Triton Managers V Limited, a Company incorporated in Jersey. There is no ultimate controlling party. The acquisition was partially funded via a term loan taken out by Oat Bidco Limited. This loan will be reported within the consolidated accounts prepared for the new Group going forwards with the company being a guarantor to the loan facility.

Dividends of £41.5m were paid by the group prior to the acquisition but after the year end date.

Acquisition of Andrews Associates Engineers Limited

On 7 December 2022, the Group acquired the business and assets of Andrews Associates Engineers Limited ("Andrews") for an upfront consideration of £916,667, with further deferred consideration due on the first, second and third anniversaries of the acquisition. Andrews associates provide high quality power systems design and engineering services across the UK's transmission, distribution and renewable energy markets and expands on the Group's existing in-house design capabilities. Due to the proximity of the acquisition date to the date of approval of these financial statements, an exercise to identify the fair value of assets acquired has not yet been completed.

27. **CONTROLLING PARTY**

The ultimate controlling parties at 30 April 2022 were T G O'Connor and T J O'Connor. Subsequent to the year end there was no ultimate controlling party.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 30 April 2022

28. **BUSINESS COMBINATIONS**

On 28 February 2022, OCU Group, through its wholly owned subsidiary OCU Utility Services Limited (formerly O'Connor Utilities Limited), acquired 100% of the ordinary share capital of F.K.S. (UK) Limited ("FKS") for a total consideration of £550,000, with £200,000 paid upfront, and £350,000 due in deferred consideration. FKS has operated as a telecom support company since 2010 and brings specialist fibre experience into the Group, enhancing delivery capability in the North and North-West of England. The goodwill of £174,211 arising from the acquisition is attributable to the expertise and experience of the workforce and economies of scale that will arise from combining the operations of the two businesses. Management has estimated the useful life of this goodwill to be 10 years. The following amounts of assets, liabilities and contingent liabilities were recognised at the acquisition date:

	Note	Carrying Value	Fair Value Adjustments	Fair Value
		£	£	£
Property, Plant and Equipment	a)	215,090	184,181	399,271
Cash and Cash Equivalents		72,439		72,439
Trade and Other Receivables		211,265		211,265
Trade and Other Payables		(100,889)		(100,889)
Lease Liabilities		(70,050)		(70,050)
Deferred Tax		(41,856)		(41,856)
Loans		(41,618)		(41,618)
Total identifiable assets		244,381	184,181	428,562
Goodwill				174,211
Cost of the business combination				602,773
Comprising:				£
Cash				200,000
Deferred consideration <1 year				200,000
Deferred consideration >1 year				150,000
Total consideration paid				550,000
Directly attributable fees				52,773
Total cost of acquisition				602,773

a) Uplift to value of Plant and Equipment based on depreciated replacement value.

F.K.S. (UK) Limited contributed £320,379 of revenue and £30,016 of profit after tax to the group for the two month period from 28 February 2022.

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.