

SLR Consulting Limited

Annual Report and Financial Statements

For the year ended 1 January 2021

Company Number 03880506



SLR Consulting Limited
Annual report and financial statements
for the year ended 1 January 2021

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Directors

A J Edwards
J M Green
P R MacKellar
N C Penhall

Secretary and registered office

J M Green
7 Wornal Park, Menmarsh Road, Worminghall, Aylesbury, Buckinghamshire, HP18 9PH

Company number

03880506

Auditor

BDO LLP, Level 12, Thames Tower, Station Road, Reading, RG1 1LX

SLR Consulting Limited
Strategic report
for the year ended 1 January 2021

This strategic report sets out for stakeholders the environment in which SLR Consulting Limited ("the Company") exists, the strategy that the Board of directors ("the Board") set in the context of that environment and the resulting performance for the 52 week period ended 1 January 2021. Reference to "year" throughout the financial statements refers to the aforementioned 52 week period.

Operating structure and environment

The principal activity of the Company is to provide environmental and advisory consultancy services from its offices spread across the UK.

The key elements of the Company's success are the diversity of services offered and its exposure to a variety of sectors. The Company's 'one team' culture combined with a clear and efficient management structure, strong support services and accounting functions strengthens the Company's successful operations.

Every member of the environmental and advisory teams belong to one of a number of service lines, driven by technical discipline and work together collaboratively to provide client solutions. Working alongside the service line structure are client sector teams aligned to our principal focus industries: Energy, Built Environment, Mining & Minerals, Infrastructure, Industry, and Power. The sector teams provide client leadership and ensure the Company understands and interprets industry trends.

Principal risks and uncertainties

The Company has always sought to minimise risk in all aspects of its operations. Primary risks and risk mitigation measures are briefly considered below. Further information on risks and uncertainties are included in the Report of the directors on page 6.

Strategic risks are limited in the Company's business. It has a focused strategy, closely aligned with its capabilities and is operating in growing markets. The environmental sector is largely regulatory-driven, which helps mitigate the potential exposure to political or general economic risk. Advisory services are allied to the environmental sector and driven by changes (growth or decline) in sectors or economies. The most significant risk is one of reputation and the Company works hard to mitigate this risk by hiring and retaining high quality staff, and applying appropriate quality management procedures. The nature of the environmental sector tends to attract staff with high ethical standards. This is reinforced by the Company ethos and procedures. The overall strategic risk and associated ethical risk is considered low.

The management team has a track record of successful leadership and has considerable strength and depth. The Company has a fast-growing and highly motivated team of professional staff, many of whom have shareholdings in the Company's ultimate parent company, SLR Global Limited. Risks associated with both management and key employees are considered low.

The Company normally undertakes work under its Standard Conditions of Engagement. Where this is not the case, all non-standard contracts are reviewed by either a dedicated contracts review team, nominated senior manager or director. If appropriate, non-standard contracts are referred to the Company's legal advisors to assess and contain the risk.

The Company has a professional HR team, which works with the Company's legal advisors to minimise risks associated with employment law. Notwithstanding the above, certain sectors of the Company's business, such as development clients, can be litigious and there is always some risk with employees. The overall legal and compliance risk is considered low-to-moderate.

Financial risks mainly centre on the leveraged nature of SLR BD Limited, a parent company which holds the Group's banking facility. This facility was revised post the balance sheet date as disclosed in note 23 of the accounts. The Company has a robust finance function which minimises systemic risk. Overall the financial risks of normal operations are considered low.

SLR Consulting Limited

Strategic report for the year ended 1 January 2021 (*continued*)

Principal risks and uncertainties (*continued*)

The Company's normal operations expose it to a variety of financial risks including the foreign currency exchange rates, credit risk and liquidity risk as well as risk associated with Covid 19 restrictions. These are discussed in the Report of the directors on page 6. These risks are monitored by the Board and were not considered to be significant at the balance sheet date.

During the year, the emergence of the Covid-19 pandemic and the response by the respective governments created significant disruption to the normal operations of the Company. The lockdown measures implemented impacted demand, most significantly in Q2 and Q3 of 2020. Management responded by using government support schemes and other voluntary initiatives to align employment costs with the reduced client demand through this period. Focus over the second half of 2020 and early 2021 saw the majority of the business working towards achieving pre-pandemic trading levels despite the government continuing to apply lockdowns and other restrictions. In the light of this, the performance of the business is no longer significantly impacted by the Covid 19 response but remains an ongoing matter for the Board. The situation will continue to be monitored so that suitable mitigations can again be put in place if the need arises.

The Company experienced no substantive impact as a result of the departure of the United Kingdom from the European Union on 31 January 2020 ('Brexit'). SLR's business model is the provision of environmental related advisory services; accordingly the Company does not import or export goods as part of its business activities. The majority of the Company's services are provided within the European region, with the majority of cross-border trading occurring outside of the UK. Although some services are provided by teams or individuals based in the UK to other regions from time to time, the value of work provided to EU based clients or businesses, by UK based staff, is under 5% of fees. Should EU clients require support from EU based consultancies then this can effectively be provided via SLR operations based in the Republic of Ireland or France.

Therefore, SLR is not exposed to significant risks created by Brexit, including tax and operational risks, which may affect various aspects of their financial statements. Whilst the UK environmental legislation has remained largely unchanged in the short term following EU legislation being enshrined within UK law (as at the date of publication, an agreement between the UK and EU to take effect from 1 January 2021 onward has not yet been signed), there may be some positive impact on the Group's performance as a result of future changes to environmental legislation resulting from Brexit. Where changes occur, clients typically require support in evolving their business operations, transitioning and complying with legislative obligations.

Overall Management considers that risk within the business is well managed, although Management continues to monitor the risk profile as the Company develops. More detail on internal control and risk management is outlined in the directors report below on page 6.

Strategy

The Company's overall strategy is evaluated and updated on an ongoing annual basis by the leadership team and directors of the business.

During the current year the Board has reaffirmed the Company's ambition to become the leading consultancy for environmental and advisory solutions. To achieve this it will continue to develop the five principal elements of its activities: culture, clients, people, business and communities.

The Company's strategy is focused on providing high quality environmental consultancy and advisory services to clients with whom it seeks to develop a long-term relationship. The strategy is based on organic growth, complemented by the selective acquisition of high calibre companies, in order to strengthen and extend our technical, sectoral and geographic coverage.

The Company's continued focus on key sectors, together with nurturing and developing client relationships, all within a collaborative 'one team' culture will, we believe, lead to superior revenue and profit growth.

The strategy and plans have been shared with all employees and the Board provides regular updates on progress to key stakeholders.

SLR Consulting Limited

Strategic report for the year ended 1 January 2021 (continued)

Section 172 statement

Section 172 of the Companies Act 2006 requires the Directors to take into consideration the interests of stakeholders and other matters in their decision making. The success of our business is dependent on the support of all of our stakeholders. Our business teams all have extensive engagement with their own unique stakeholders as well as other regional operations in the Group. These stakeholders will include, but are not restricted to, clients, vendors, employees and shareholders. The SLR Group's governance framework delegates authority for local decision-making to each region up to defined levels of cost and impact which allows the individual businesses to take account of the needs of their own stakeholders in their decision making.

Management regularly reviews the Company's relationship with its principal stakeholders and how it engages with them. This is achieved through information provided by the wider management team and also by direct engagement with stakeholders themselves. An example is client engagement, which is direct and ongoing across all levels of the organisation, ensuring continual feedback is sought and acted upon; where appropriate bespoke account management is also put in place for some clients and client sectors. On a monthly basis, the Directors of SLR Consulting Limited engage with operational managers and other key members of staff to conduct a formal business review. This information is used to assess the impact of decisions on each stakeholder group as part of its own decision-making process.

The Directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term. Where possible, decisions are carefully discussed with affected groups and are therefore fully understood and supported when taken.

Examples of how the Company has further enhanced its engagement with stakeholders on the significant events and decisions in the year include the following:

- Design and implementation of a new People Information System. This was launched in 2020 to give manager's additional resources to manage performance. For example, this enables all objectives to be collated and reviewed centrally in a consistent format. This also built on the existing People metrics used by the Company, and in many cases expanded on these to include additional definitions such as "capacity". Real-time reporting has also been introduced with this new system.
- Covid 19. This impacted shareholders, employees, clients and vendors. At the onset of the pandemic and the resulting lockdowns, Management took strong and decisive action to reduce costs and adjust staffing levels in line with decreased demand from clients due to delayed project sign-off and access to sites. Through these steps impact on profit was kept to a minimum and resulted in year-on-year growth being achieved. Enhanced weekly management reporting was launched in late March 2020 to support improved decision making. This included tracking on new work obtained from clients and forecasting/reporting on cost reductions.

Performance

The Company's operations include an extensive range of technical offerings and have a wide sector exposure. This diversity, combined with the fact that a large number of projects undertaken are international in nature, provides resilience and mitigates the risk of adverse impact of any sector-specific downturns. Due to the exceptional circumstances of the 2020 pandemic measures, profit before tax was down to £1.3m from £2.6m in the year ended 31 January 2020. Turnover was £31.6m, a £3.5m reduction on the prior year figure of £35.1m. Given the circumstances of the current year, this nevertheless demonstrates the resilience of the Company in retaining over 90% of the prior year turnover and continuing to trade profitably.

SLR Consulting Limited
Strategic report
for the year ended 1 January 2021 (continued)

Performance (continued)

Based on average number of technical staff during the year, the turnover per technical employee was £99,966 in the 12 months to 1 January 2021 vs £121,399 for the prior year to 3 January 2020. Net assets increased from £41.3 million to £43.4 million in the current year.

Outlook

As noted above under Principal Risks and Uncertainties, the Company was affected in 2020 by the Covid-19 pandemic and the restrictions this placed on our clients, to both invest in and mobilise projects. This impacted most significantly in quarters 2 and 3 but continued to have some impact in quarter 4. We took swift action to reduce costs in response to the reduced levels of demand for the Group's services which enabled redundancies and layoffs to be kept to a minimum. In addition to the diverse characteristics of the markets served by the Company and the compliance-led nature of many of its services, these actions have positioned the Company well to increase activity levels as lockdown measures continue to be eased. In the early part of 2021, the business is continuing to demonstrate improved revenue and profitability.

The results of the Company for the year are set out on page 13 and statement of the financial position is set out on page 14. The statement of comprehensive income is set out on page 13 and shows the profit on ordinary activities after taxation for the year.

On behalf of the Board



N C Penhall
Director

29 September 2021

SLR Consulting Limited

Report of the directors for the year ended 1 January 2021

The directors present their report together with the audited financial statements for the year ended 1 January 2021. The comparative numbers are for the 12 month period ended 31 January 2020. This report should be read in conjunction with the Strategic report.

Results and dividends

The statement of comprehensive income is set out on page 13 and shows the profit for the year.

No dividends were paid during the year (year ended 31 January 2020 - £Nil).

Directors

The directors of the Company during the year were as follows:

A J Edwards
J M Green
P R MacKellar
N C Penhall

At 1 January 2021, third party indemnity insurance for the benefit of the Company's directors was in force.

Statement of directors' responsibilities

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 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 of the profit or loss of the Company for that year.

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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

SLR Consulting Limited

Report of the directors for the year ended 1 January 2021 (continued)

Internal control and risk management

The Company has always sought to minimise risk in all aspects of its operations. Primary risks and risk mitigation measures are summarised in the Strategic report and detailed later in this report. In summary, many of the key areas of risk (e.g. strategic, legal and compliance, financial) are considered to be low or low to moderate. The medium to longer term risk of government and market responses to Covid-19 is being continually assessed although this appears to be diminishing.

The Company's operations expose it to a variety of financial risks including the effects of foreign currency exchange rates, credit risk and liquidity risk. These are monitored by the Directors and were not considered to be significant at the balance sheet date, although the trading conditions presented by Covid-19 responses post the balance sheet date are being closely monitored. The Group's policies towards each of these individual risks are addressed below.

Credit risk

The Company's policy in respect of credit risk is to require appropriate credit checks on potential customers before projects commence. Due to these strong practices, credit risk is not deemed to have increased since the balance sheet date despite the global impact of Covid 19.

Cash flow and interest rate risk

The Company does not have significant borrowings and the interest rate on borrowings is at market rate and the Company's policy is to keep the borrowings within defined limits such that the risk that could arise from a significant change in interest rates would not have a material impact on cash flows. The directors monitor the overall level of borrowings and interest costs to limit any adverse effects on the performance of the Company.

Liquidity risk

The Company's policy has been to ensure continuity of funding through acquiring an element of the fixed assets under hire purchase contracts and finance leases and arranging funding for operations via the Group's banking facilities. The Company has access to the Group's bank facilities which are committed to June 2025 in the case of the term facilities and June 2024 in the case of the revolving credit facility.

Foreign currency risk

The Company is exposed in its trading operations to the risk of changes in foreign currency exchange rates. The main foreign currencies in which the Company operates are the US Dollar and the Euro. The Company does not use derivative financial instruments to mitigate foreign currency risk.

Employment policies

The Company's business is based on attracting, retaining, and motivating staff of the highest technical quality, who are also commercial in their approach and committed to the strategy and growth of the Company. The Board recognises that the retention and motivation of existing employees and the attraction of new high calibre employees is critical in a professional services company. As such, the Company uses a range of dedicated and sophisticated methods to achieve this, including professional training and development, a flexible approach to working hours and practices, and a wide range of staff incentives incorporating government approved ownership schemes.

SLR Consulting Limited
Report of the directors
for the year ended 1 January 2021 (continued)

Employment policies (continued)

Employment of disabled persons

Based on information provided by applicants, and interviews conducted, the Company has received applications for employment from disabled persons during the year. These applicants were assessed in accordance with the Company's equal opportunities policy, which confirms the Company's commitment to apply employment criteria that are fair, equitable and consistent regardless of an applicant's race, creed, colour, nationality, sex or disability. Existing disabled staff are treated in accordance with the Company's equal opportunities policy and are actively encouraged to partake in the career development and training programmes, which are available to all staff.

Employee involvement

As a professional services firm with wide employee ownership, management is committed to providing all its employees with regular briefings on the development of the Company and key issues affecting its staff. This is achieved using IT systems, and direct meetings and discussions.

The Company has an intranet site, SLR Connect, which provides a wide range of information to all staff including all employment policies, detailed financial information, news on fellow employees, company developments, etc. In addition, the management and senior technical staff convene regular staff meetings to update staff on the strategic and local development of the business, including the potential acquisitions of other companies. An essential part of these meetings is an open question and answer session where all employees are encouraged to raise any issues they may have for discussion.

Career development and professional training

The Company is committed to strong organic growth, which provides clear opportunities for staff to develop their careers within the business. The Company also supports professional development and has programmes in place to help employees achieve Chartered status (or equivalent) in their chosen profession. SLR also supports staff in continuing education and is currently providing bursaries and support for several staff attending full or part-time university or college courses.

Charitable initiatives and support

The Company focusses on working with its employees to support charities local to their operations. As well as direct contributions to local charities, the Company also provides indirect support such as paying employees' entrance fees for charitable events and providing staff time pro bono.

In the year to 1 January 2021, SLR supported staff participating in a number of diverse charitable events, as well as making direct donations to a range of charities. Donations in the year totalled £6,942 (year ended 3 January 2020 - £21,400).

Employee incentives

As well as providing staff with industry standard employment packages in terms of salary and other benefits, the Group runs a discretionary profit-sharing bonus scheme to which staff are eligible.

Modern slavery

In compliance with s.54 of the Modern Slavery Act 2015, SLR's Modern Slavery Statement sets out the steps taken by SLR Consulting Limited to prevent slavery or human trafficking from taking place in our supply chains. The full statement is available at www.slrconsulting.com.

SLR Consulting Limited

**Report of the directors
for the year ended 1 January 2021 (continued)**

Energy and Carbon Report

The data for SECR (Streamlined Energy and Carbon Reporting) has been compiled using the same methodology used for ESOS (Energy Savings Opportunity Scheme) with carbon emissions being calculated using the Government Guidelines for GHG (Greenhouse Gas) Reporting.

The company's energy use and emissions reported relates to company vehicles, grey fleet and premises where the company has financial responsibility for energy supply. As at January 1 2021 the Company fully complied with the requirements of the Energy Savings Opportunity Scheme Regulations 2014 (ESOS) using the energy audit route.

During 2020 the Company have reduced energy consumption significantly, primarily reacting to the present Covid-19 situation. We have reduced the heating and cooling requirements of our offices to reflect the lower occupancy levels. Energy consumption associated with business travel has also been minimised, with the majority of meetings being undertaken via webinar.

The company's data was as follows:

Table – Energy Consumption and Emissions 2020	
On-site combustion (kWh)	297,900
Electricity (kWh)	364,716
Transport (kWh)	1,122,195
Total Energy (kWh)	1,784,810
Scope 1 Emissions (tCO ₂ e)	55
Scope 2 Emissions (tCO ₂ e)	85
Scope 3 Emissions (tCO ₂ e)	262
Total Emissions (tCO₂e)	401
Emissions Intensity (tCO₂e/FTE)	1.37

For purposes of baselining and ongoing comparison, it is required to express the emissions using a carbon intensity metric. The intensity metric chosen is staff number in full-time equivalents (FTE). The resultant emissions intensity is 1.37tCO₂e/FTE.

Post balance sheet events

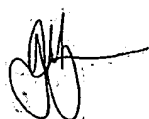
There are no post balance sheet events.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

By order of the Board

J M Green



Secretary
29 September 2021

SLR Consulting Limited
Report of the independent auditor

TO THE MEMBERS OF SLR CONSULTING LIMITED

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 1 January 2021 and of the profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of SLR Consulting Limited ("the Company") for the year ended 1 January 2021 which comprise the statement of comprehensive income, balance sheet, 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 the preparation of the financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard in the United Kingdom and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

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.

SLR Consulting Limited

Report of the independent auditor (*Continued*)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the annual report and the financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Other Companies Act 2006 reporting

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

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

In the 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 and Report of the Directors.

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 by the Company, 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.

Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either 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.

Extent to which the audit was 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Obtaining an understanding of the legal and regulatory framework that the Company operates in, focussing on those laws and regulations that had a significant effect on the financial statements or that had a fundamental effect on the operations of the Company, namely:
 - Companies Act 2006;
 - UK accounting standards; and
 - Relevant tax legislation.
- Enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation, concerning the Company's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - challenging assumptions made by management in their significant accounting estimates.
- Discussing among the engagement team and involving relevant internal specialists, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- Identifying and testing journal entries, in particular those journal entries considered most susceptible to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

SLR Consulting Limited

Report of the independent auditor (*Continued*)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in 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.

DocuSigned by:
Chris Pooles
F75710324A07463...

Christopher Pooles (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Reading, United Kingdom

Date 29 September 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

SLR Consulting Limited

**Statement of comprehensive income
for the year ended 1 January 2021**

	Note	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Turnover	3	31,589,104	35,084,280
Operating expenses		(35,738,342)	(35,364,207)
Other operating income	6	5,343,235	2,879,443
Operating Profit before depreciation		1,836,970	3,216,759
Depreciation		(642,973)	(617,243)
Operating profit	7	1,193,997	2,599,516
Finance income	8	87,685	-
Finance costs	9	(14,666)	(24,174)
Profit on ordinary activities before taxation		1,267,016	2,575,342
Taxation on profit from ordinary activities	10	8,563	(34,358)
Profit on ordinary activities after taxation		1,275,579	2,540,984

All amounts relate to continuing activities.

All recognised gains and losses are included in the statement of comprehensive income.

The notes on pages 16 to 29 form part of these financial statements

SLR Consulting Limited

**Balance sheet
at 1 January 2021**

Company Number 03880506

	Note	1 January 2021 £	1 January 2021 £	3 January 2020 £	3 January 2020 £
Fixed assets					
Tangible assets	11		914,536		1,124,877
Current assets					
Debtors	12	48,111,394		48,144,381	
Cash at bank and in hand		2,313,525		343,466	
		50,424,919		48,487,847	
Creditors: amounts falling due within one year	13	(7,362,402)		(7,893,114)	
Net current assets			43,062,517		40,594,733
Total asset less current liabilities			43,977,053		41,719,610
Provisions	14		(340,000)		(255,000)
Creditors: amounts falling due after more than one year	15		(230,413)		(136,304)
Net assets			43,406,640		41,328,306
Capital and reserves					
Called up share capital	17		100		100
Capital contribution			948,884		948,884
Profit and loss account			42,457,656		40,379,322
			43,406,640		41,328,306

The financial statements were approved by the Board and authorised for issue on 29 September 2021.



**N C Penhall
Director**

The notes on pages 16 to 29 form part of these financial statements

SLR Consulting Limited

**Statement of changes in equity
For the year ended 1 January 2021**

	Share capital £	Capital contribution £	Profit and loss account £	Total equity £
At 4 January 2020	100	948,884	40,379,322	41,328,306
Profit for the year	-	-	1,275,579	1,275,579
Total comprehensive income for the year	-	-	41,654,901	42,603,885
Write-off of intercompany indebtedness with dissolved companies	-	-	802,755	802,755
Total contribution by and distribution to owners	-	-	802,755	802,755
At 1 January 2021	100	948,884	42,457,656	43,406,640
	Share capital £	Capital contribution £	Profit and loss account £	Total equity £
At 5 January 2019	100	948,884	37,860,159	38,809,143
Profit for the period	-	-	2,540,984	2,540,984
Total comprehensive income for the period	-	-	2,540,984	2,540,984
Write-off of intercompany indebtedness with dissolved companies	-	-	(21,821)	(21,821)
Total contribution by and distribution to owners	-	-	(21,821)	(21,821)
At 3 January 2020	100	948,884	40,379,322	41,328,306

The notes on pages 16 to 29 form part of these financial statements

SLR Consulting Limited

Notes forming part of the financial statements for the year ended 1 January 2021

1 Accounting policies

SLR Consulting Limited ("the Company") is a private company limited by shares and is incorporated in England & Wales under the Companies Act. The address of the Company's registered office is given on the contents page and the nature of the Company's operations and its principal activities are set out in the Strategic report. These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies (Accounts and Reports) Regulations 2008.

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

These financial statements cover the 52 week period from 4 January 2020 to 1 January 2021. Reference to "year" throughout these financial statements refers to the aforementioned 52 week period.

Reduced disclosure exemptions

In preparing the separate financial statements of the Company, advantage has been taken of the following disclosure exemptions permitted by the reduced disclosure regime within FRS 102:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment, interest income/expense and net gains/losses for financial instruments measured at amortised cost and descriptions of hedging relationships;

This information is included in the consolidated financial statements of SLR Global Limited, the parent company of the largest group for which consolidated accounts are prepared, as at 1 January 2021 and their financial statements are available from its registered office, 7 Wornal Park, Menmarsh Road, Worminghall, Aylesbury, Buckinghamshire, HP18 9PH.

The following principal accounting policies have been applied:

Other operating income

Other operating income includes recharges made to group undertakings as a result of costs incurred on behalf of group companies along with the government support scheme. Government grants of a revenue nature are also recognised in other operating income within the profit or loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough'). The Company has not directly benefited from any other forms of government assistance.

Going concern

The Company made an operating profit of £1.2m (year ended 3 January 2020: £2.6m) and reported a profit after tax of £1.3m (year ended 3 January 2020: £2.5m) for the year ended 1 January 2021. At 1 January 2021 the Company had net assets of £43.4m (3 January 2021: £41.3m) and cash at bank and in hand of £2.3m (3 January 2020: £0.3m). Additionally, the parent company's revolving facility had an undrawn balance of £18.0m at 1 January 2021 (3 January 2020: £28.0m).

SLR Consulting Limited

Notes forming part of the financial statements for the year ended 1 January 2021

1 Accounting policies (*continued*)

Going concern (continued)

The Company has given due consideration to the impact that the global Covid-19 pandemic could have on the performance, cash flows and liquidity position of the business moving forwards. As with many businesses, when government lockdown measures were introduced, this created travel and mobility restrictions which affected our ability to do business as we would normally. The restrictions impacted the ability of some of our clients to operate their sites during lockdown and has impinged on the free movement of our staff including preventing travel to client and project sites. Not all of our clients have been affected to the same extent however and many of the Company's clients have been designated as critical industries. In addition, the Company is able to continue to provide many of its services remotely, without needing to access client sites and by deploying resources via virtual and flexible working practices.

Notwithstanding this, swift action was taken in March and April 2020, to reduce costs in response to the Covid-19 threat to trading. This included adopting a range of consensual measures, such as agreeing voluntary and temporary pay reductions with key staff, reducing employee hours where appropriate, leveraging government support schemes, utilising annual leave and implementing a freeze on new hires. This protected a significant number of jobs, whilst reducing costs proportionately to the drop in demand and has enabled the Company to return the majority of staff to full time work in the early part of 2021, with the remainder imminently to return.

As at the balance sheet date, the SLR Group's funding was provided primarily via bank facilities totalling £101m, incorporating term bank loans committed to June 2025 and a revolving credit facility committed to June 2024, subject to the Group complying with lender covenants and conditions under the terms of the facility agreement. Due to the uncertainty over the potential impact of Covid-19, a decision was made to proactively agree a waiver of the leverage covenant with the Group's lenders in 2020, initially for Q2 & Q3 2020, then subsequently extended for Q4 2020 & Q1 2021, which was replaced with a monthly minimum liquidity test. The minimum liquidity test was satisfied for each period reported to date up to and including Q2 2021. Subsequent to the balance sheet date, the Group has successfully revised its borrowing facility in order to support its longer term strategic goals. This is outlined in note 23 of the accounts. The SLR Group has prepared cash flow forecasts for a period including 12 months from the date of approval of these financial statements. These projections show that the Group can continue to operate within the financing facilities available to the Group.

In addition, the Directors of SLR Consulting Limited have considered the trading prospects of the Company for a period covering at least twelve months from the date of approval of these financial statements and believe that it will have the cash resources available to serve its own liquidity needs throughout this period. As a result, the Company's Directors consider that the Company will continue as a going concern for a period of at least twelve months from the date of signing these financial statements. Accordingly, the Directors continue 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 (net of VAT and local taxes) from the provision of work for external clients during the year in the ordinary nature of the business.

Services provided to clients during the year which at the balance sheet date have not been billed, have been recognised as turnover. Turnover recognised in this manner is based on an assessment of the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement. Provision is made against unbilled amounts on those engagements where the right to receive payment is contingent on factors outside the control of the business. Unbilled revenue is included in accrued income.

SLR Consulting Limited

Notes forming part of the financial statements for the year ended 1 January 2021

1 Accounting policies (*continued*)

Tangible fixed assets

Tangible fixed assets are measured at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset to its estimated residual value on a straight line basis over its expected useful lives, as follows:

Plant and machinery	-	20%-33% per annum
Fixtures and fittings	-	10%-33% per annum
Motor vehicles	-	17%-33% per annum
Computer equipment	-	33%-50% per annum

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the income statement.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except that a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company's subsidiaries operate and generate taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

SLR Consulting Limited

Notes forming part of the financial statements for the year ended 1 January 2021 (*continued*)

1 Accounting policies (*continued*)

Leased assets

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

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to income statement on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the Company recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Foreign currency

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are taken directly to the income statement.

Pension costs

Contributions to the Company's defined contribution pension scheme are charged to the income statement in the year in which they become payable.

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt so that the amount charged is at a constant rate on the carrying amount.

SLR Consulting Limited

Notes forming part of the financial statements for the year ended 1 January 2021 (*continued*)

1 Accounting policies (*continued*)

Reserves

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued.
- Capital Contribution relates to share-based payments of prior years in respect of share options awarded to employees of the Company by its ultimate parent company.
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Trade debtors impairment loss

Trade debtors are reviewed for impairment loss on an ongoing basis and provision made for any balances where there is uncertainty against the recoverability of the balance. This methodology is applied on a customer by customer basis.

Creditors, provisions and liabilities

These are recognised at the balance sheet date and include amounts for accrued holiday pay, employee bonuses and third party subcontractor costs. Although these amounts are reviewed on a regular basis and adjusted to reflect management's best current estimates, the judgemental nature of these items means that future amounts settled may be different from those provided. The provision balance represents the estimated liability arising from dilapidations on the termination of current property leases. This value is also included in fixed assets and is amortised over the remaining life of the lease term for each property.

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

3 Turnover

Turnover is wholly attributable to the principal activity of the Company and arises in the following geographical markets:

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
United Kingdom	23,916,145	29,252,551
Europe	5,946,335	4,250,488
United States	373,227	4,363
Africa	766,178	586,360
Asia-Pacific	336,554	544,418
Rest of the world	250,665	446,100
	<u>31,589,104</u>	<u>35,084,280</u>

4 Employees

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Staff costs consist of:		
Wages and salaries	18,846,853	18,039,727
Social security costs	2,001,672	1,945,010
Other pension costs	977,664	939,232
	<u>21,826,189</u>	<u>20,932,969</u>

The average number of employees, including directors, analysed by category was as follows:

	Year ended 1 January 2021 Number	Year ended 3 January 2020 Number
Technical	316	289
Management and administration	80	69
	<u>396</u>	<u>358</u>

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

5 Directors

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Directors' emoluments	537,047	553,752
Payments to defined contribution pension scheme	51,311	45,252
	<u>588,358</u>	<u>599,004</u>
Emoluments of the highest paid director:		
Emoluments	<u>188,280</u>	<u>161,613</u>
Amounts paid to the Company's defined contribution pension scheme	<u>21,843</u>	<u>15,385</u>

There were four (2020 - four) directors in the Company's defined contribution pension scheme during the year.

6 Other operating income

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Management charges	4,390,392	2,879,443
Other income	952,843	-
	<u>5,343,235</u>	<u>2,879,443</u>

7 Operating profit

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
This has been arrived at after charging/(crediting):		
Depreciation of tangible fixed assets	642,973	617,243
Profit on disposal of tangible fixed assets	(1,432)	(4,767)
Operating lease rentals - Land and buildings	974,466	953,796
Operating lease rentals – Other	165,719	197,660
Income from government support schemes	952,843	-
Fees payable to BDO LLP for the statutory audit of the company	63,550	56,000
Exchange loss	<u>45,335</u>	<u>30,164</u>

The Company has taken advantage of the exemption from the requirement to disclose details of the auditors' remuneration for non-audit services under the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) (Amendment) Regulations 2011 as this is disclosed in the consolidated accounts of its ultimate parent company, SLR Global Limited.

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

8 Finance income

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Intercompany interest charges	87,685	-
	<u>87,685</u>	<u>-</u>

9 Finance costs

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Hire purchase and finance leases	13,688	21,370
Other interest payable	978	2,804
	<u>14,666</u>	<u>24,174</u>

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

10 Taxation on profit from ordinary activities

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
<i>Current tax</i>		
UK corporation tax on profits of the year	-	-
Adjustments in respect of previous periods	-	-
	<hr/>	<hr/>
Total current tax	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	<u>(8,563)</u>	<u>34,358</u>
Total tax charge on profit on ordinary activities	<u>(8,563)</u>	<u>34,358</u>

The tax assessed for the period is different to the standard rate of corporation tax in the UK. The differences are explained below:

	Year ended 1 January 2021 £	Year ended 3 January 2020 £
Profit on ordinary activities before tax	<u>1,267,016</u>	<u>2,575,342</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 19% (year ended 3 January 2020 – 19%)	240,733	489,315
Effects of:		
Expenses not deductible for tax purposes	27,954	4,227
Fixed asset differences	5,484	-
Other permanent differences	(286,520)	(440,078)
Adjustments to tax charge in respect of previous years	4,236	(11,533)
Remeasurement of deferred tax for changes in tax rates	-	-
Other differences	(450)	-
Tax rate differences	<u>-</u>	<u>(7,573)</u>
Total tax charge for the year	<u>(8,563)</u>	<u>34,358</u>

Deferred taxes at the reporting date have been measured and reflected in these financial statements using the substantively enacted tax rate at the year end of 19%. The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 2023. This rate has not been substantively enacted at the balance sheet date. As a result deferred tax balances as at 1 January 2021 continue to be measured at 19%.

SLR Consulting Limited

Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)

11 Tangible assets

	Plant and machinery £	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
<i>Cost</i>					
At 4 January 2020	903,841	255,000	1,346,019	3,739,755	6,244,615
Acquired through business combination	38,283	-	40,708	105,959	184,950
Additions:	89,893	85,000	44,686	193,361	412,940
Disposals	(29,982)	-	(32,883)	(71,349)	(134,214)
At 1 January 2021	1,002,035	340,000	1,398,530	3,967,726	6,708,291
<i>Depreciation</i>					
At 4 January 2020	804,159	97,249	940,255	3,278,075	5,119,738
Acquired through business combination	37,813	-	39,978	86,060	163,851
Provided for the year	75,566	134,544	109,262	323,601	642,973
Disposals	(28,550)	-	(32,908)	(71,349)	(132,807)
At 1 January 2021	888,988	231,793	1,056,587	3,616,387	5,793,755
<i>Net book value</i>					
At 1 January 2021	113,047	108,207	341,943	351,339	914,536
At 3 January 2020	99,682	157,751	405,764	461,680	1,124,877
Assets held under finance leases and hire purchase contracts:					
<i>Net book value</i>					
At 1 January 2021	-	-	59,022	54,765	113,787
At 3 January 2020	-	-	106,232	98,578	204,810

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

12 Debtors

	1 January 2021 £	3 January 2020 £
Trade debtors	5,614,026	6,703,274
Prepayments	1,265,460	594,216
Amounts due from group undertakings	40,314,903	39,766,578
Other debtors	52,837	97,594
Accrued income	825,847	954,984
Deferred tax	38,321	27,735
	<u>48,111,394</u>	<u>48,144,381</u>

The impairment loss recognised in the company profit or loss for the year in respect of bad and doubtful trade debtors was £218,231 (2019 - £77,542).

13 Creditors: amounts falling due within one year

	1 January 2021 £	3 January 2020 £
Trade creditors	2,066,581	2,208,515
Amounts owed to group undertakings	577,467	980,843
Obligations under finance leases and hire purchase contracts	75,891	69,985
Other creditors	183,018	127,996
10% Unsecured loan notes	85,000	-
Accruals	1,022,009	979,590
Deferred income	1,594,809	1,602,922
Taxation and social security	1,736,019	1,923,263
Corporation Tax	21,608	-
	<u>7,362,402</u>	<u>7,893,114</u>

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

14 Provisions

	1 January 2021 £	3 January 2020 £
Provision for property dilapidations	340,000	255,000
	<u>340,000</u>	<u>255,000</u>

15 Creditors: amounts falling due after more than one year

	1 January 2021 £	3 January 2020 £
Obligations under finance leases and hire purchase contracts	60,413	136,304
10% Unsecured loan notes	170,000	-
	<u>230,413</u>	<u>136,304</u>

16 Finance leases

The Company enters into finance leases for fixtures and fittings and for computer equipment. These leases are classified as finance leases as the rental period matches the full useful economic life of the assets.

	Minimum lease payments 1 January 2021 £	Minimum lease payments 3 January 2020 £
Not more than one year – current liabilities	75,891	69,985
Between one and five years – non-current liabilities	<u>60,413</u>	<u>136,304</u>
	<u>136,304</u>	<u>206,289</u>

17 Share capital

	1 January 2021 Number	3 January 2020 Number	1 January 2021 £	3 January 2020 £
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The Company's ordinary shares, which carry no right to fixed income, each carry the right to distributions and voting rights.

SLR Consulting Limited

**Notes forming part of the financial statements
for the year ended 1 January 2021 (continued)**

18 Commitments under operating leases

At 1 January 2021, the Company had commitments under non-cancellable operating leases as set out below:

	1 January 2021 Land and buildings £	1 January 2021 Other £	3 January 2020 Land and buildings £	3 January 2020 Other £
Operating leases which expire:				
Within one year	684,317	1,295	940,868	22,382
In two to five years	1,324,857	-	1,781,877	1,295
In more than five years	<u>516,029</u>	-	<u>650,167</u>	-
	<u>2,525,203</u>	<u>1,295</u>	<u>3,372,912</u>	<u>23,677</u>

19 Pensions

The Company operates a defined contribution pension scheme. The assets of the scheme are held in independently administered funds. The pension cost charge represents contributions paid and payable by the Company to the funds during the period. As at 1 January 2021, the amounts payable to the funds totalled £188,238 (3 January 2020 - £153,514).

20 Contingent liabilities and guarantees

The Company has contingent liabilities in respect of guarantees for bank borrowings of its parent company, SLR MD Limited, and fellow subsidiary companies thereof. Total bank borrowings subject to the guarantee as at 1 January 2021 amounted to £83 million (3 January 2020 - £73 million).

There is a fixed and floating charge over the assets of the Company in respect of security for the borrowings in existence at 1 January 2021 as mentioned above.

Subsequent to the balance sheet date, the group funding arrangements have been revised as outlined in note 23.

21 Related party transactions

The results of the Company are included in the consolidated financial statements of SLR Global Limited. Consequently, the Company is exempt under FRS 102 from disclosing details of transactions with wholly owned entities that are part of the same group.

SLR Consulting Limited

Notes forming part of the financial statements for the year ended 1 January 2021 *(continued)*

22 Ultimate parent company and ultimate controlling party

A controlling interest in the Company is ultimately held by Charterhouse Capital Partners X Funds ("CCP X Funds"), a collection of private equity funds managed as limited partnerships by Charterhouse General Partners LLP ("CGP LLP"), a limited liability partnership registered in the United Kingdom. The registered office of CCP X Funds and CGP LLP is 6th Floor, Belgrave House, 76 Buckingham Palace Road, London, SW1W 9TQ.

The directors consider the ultimate parent company to be SLR Global Limited, a company incorporated in the United Kingdom. SLR Global Limited is the parent of the largest group for which consolidated accounts including the Company are prepared. The immediate parent company and majority shareholder of SLR Global Limited is SLR Global Lux S.a r.l. which is a wholly owned subsidiary of the funds managed by CGP LLP. The registered office of SLR Global Lux S.a.r.l. is 8, rue Notre Dame, L-2240, Luxembourg.

SLR MD Limited, a company incorporated in the United Kingdom, is an intermediate parent company and is the smallest group for which consolidated accounts including the Company are prepared. SLR Holdings Limited, a company incorporated in the United Kingdom, is the immediate parent company.

The consolidated accounts of SLR Global Limited and SLR MD Limited, as well as the company accounts of SLR Holdings Limited, are available from their registered office: 7 Wornal Park, Menmarsh Road, Worminghall, Aylesbury, Buckinghamshire, HP18 9PH.

23 Events after the reporting period

On 22 September 2021, SLR MD Limited completed a refinancing exercise revising its bank borrowing to £86m, repayable over a 7 year period. The Company is one of a number of guarantor entities within the SLR Group.