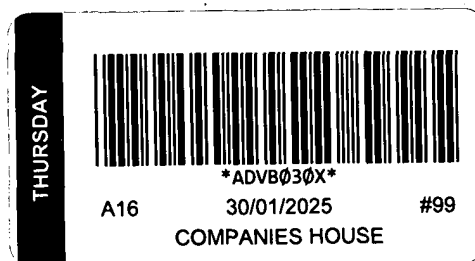


# OCU Utility Services Limited

Annual Report and Financial Statements  
For the year ended 30 April 2024



Company Registration Number 02916906 (England and Wales)

# OCU Utility Services Limited

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# OCU Utility Services Limited

Company information

For the year ended 30 April 2024

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**Directors:** Michael Joseph McNulty  
Denis Adrian O'Sullivan  
Michael Blake Hughes  
Richard Donald Lye  
David Matthew Snowball  
Paul Martin Alderton  
Christopher Frederick George Corrie

**Company Secretary:** Michael Cornwell

**Registered Office:** Artemis House  
6-8 Greek Street  
Stockport  
SK3 8AB

**Registered Number:** 02916906 (England and Wales)

**Auditors:** RSM UK Audit LLP  
Ninth Floor, Landmark  
St Peter's Square  
1 Oxford Street  
Manchester  
M1 4PB

# OCU Utility Services Limited

## Strategic report

### For the year ended 30 April 2024

The Directors present the strategic report and financial statements for OCU Utility Services Limited (the "Company") for the year ended 30 April 2024.

#### Principal activities and overview

The Company continues to be a multi-utility services specialist operating within regulated infrastructure. The Company operates in attractive markets in the energy and utilities areas and provides stakeholder value to a wide and diverse client base across the UK. The Company is a trusted contractor with a heritage of self-delivery across multiple sectors including energy, water and fibre telecoms.

The Company is a member of the OCU consolidated group (the "Group") whose intermediate parent entity is Oat Topco Limited.

#### Financial performance and KPIs

The Company has performed well during the year with turnover increasing by £14.0m (4.8%) through organic growth. Gross profit margin decreased by 2.9 percentage points to 11.3% (2023: 14.2%) due to inflationary pressures, entering of new market sectors and changes in the contracts undertaken. Adjusted EBITDA<sup>1</sup> has decreased by £12.9m (47.1%) due to the reduction in gross profit margin and an increase in administrative expenses, as a result of significant investment across Group support functions to provide the best platform for further growth. It is anticipated that profit margin will improve in the future as the company benefits from these investments.

The Directors have determined that the following financial key performance indicators (KPIs) are the most effective measure of progress towards achieving the Company's objective:

	Year ended 30 April 2024	Year ended 30 April 2023
	£'000	£'000
Turnover	303,187	289,231
Gross profit	34,366	41,131
Gross profit margin %	11.3%	14.2%
Profit before taxation margin %	4.2%	9.3%
Adjusted EBITDA <sup>1</sup>	14,453	27,328
Accrued income	71,132	57,086
Investments	21,710	4,771

Key balances within the balance sheet include accrued income which has increased by £14.0m due to the growth of some key contracts and the timing of invoicing. Investments have increased by £16.9m, from £4.8m to £21.7m due to the acquisition of Northavon Group Limited.

<sup>1</sup> Adjusted EBITDA: the Company calculates adjusted EBITDA as operating profit before interest, tax, depreciation and amortisation and excludes exceptional items. The Directors believe that adjusted EBITDA is the most appropriate approach for ascertaining the underlying trading performance and trends as it reflects the measures used internally by senior management. A reconciliation is included in note 5.

#### Future developments

The Company continues to grow organically, recognising there are significant opportunities to assist both existing and new customers in the utilities sector. In addition, the Company recognises the growth opportunity through acquisitions and is anticipating the potential for further acquisitions which would extend its capacity, expertise and market reach in the utilities sector.

OCU Utility Services Limited  
Strategic report (continued)  
For the year ended 30 April 2024

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**Principal risks and uncertainties**

The Company'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 Company 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 control, review of key performance indicators and regular forecasting.

*Business continuity risk*

While there is a reliance on physical infrastructure, the Company operates out of a number of depots which helps the Company to minimise the business continuity risk. The Company 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.

*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 Company relies for day-to-day operations, external reporting and for long term planning. The Company 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. The Company has further strengthened its finance team and maintains a dedicated Financial Planning and Analysis team to deliver robust processes and controls around budgeting and cash flow forecasting.

*Liquidity risk*

Available cash headroom is monitored by the group treasury function and 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 resources pooled between companies where required. At the date of approval of these accounts, the Group has access to undrawn funds of £150m on the Revolving Credit Facility and £75m on the Delayed-Draw Term Loan Facility.

*Credit risk*

Credit risk arises principally on third party revenues. Company 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 Company 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.

*Macro-economic risk*

The Company is exposed to macro-economic risk associated with the fluctuation of interest rates in the period. The Company has appropriate hedging in place to mitigate this risk, with exposure being monitored regularly.

*Management development risk*

Long-term growth of the business depends on the Company'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.

*Social, ethical and environmental risk*

The Company recognises its responsibility to the natural environment and understands the social impact on the areas in which it works. The Company 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 Company's policy. The Company includes specific prohibitions against the use of forced, compulsory or trafficked labour in its contracting process. The Company 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.

*Health and safety risk*

The Company is committed to ensuring a safe working environment. These risks are managed by the Company 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.

**Section 172(1) statement**

In fulfilling their responsibilities, the Directors, both individually and as a collective body, have considered the stakeholders and considerations outlined in section 172(1) of the Companies Act 2006. The Directors' commitment to adhering to section 172(1) ensures that as the business grows, the Directors remain aware of and committed to their wider obligations to employees, clients, contractors, partners, the environment, and the communities the business serves.

*Colleagues*

At OCU, people are the priority. OCU Group operates as one company with a shared purpose and ambition. The Group understands the significance of having a high-performing, engaged and motivated team to achieve goals and acknowledge broader responsibilities to employees and their families.

The organisational structure promotes local accountability and fosters open communication and unity among employees across the Group, encapsulated by the internal mantra, 'OCU – One Company United'. The Group engages regularly with its workforce through a twice yearly survey, titled 'OCU – Our Concerns Understood', and various communications channels, including the quarterly company magazine 'Insight', and CEO and other executive update videos.

To reinforce commitment to its employees, the Group introduced the People First benefits initiative. OCU have also implemented new HR and payroll systems to enhance employee management, and launched several initiatives aimed at supporting employee learning and development. This includes the creation of a Shadow Executive Committee to nurture and develop future leaders within the organisation.

*Clients*

One of OCU's key strengths is their capacity to create close, enduring relationships with clients. OCU collaborate closely at all levels to understand client priorities and ensure they fulfil their commitments, often solving complex client and project challenges. OCU engage with their clients openly and collaboratively to understand their expectations, challenges and operational needs. By maintaining open and transparent relationships with clients' senior stakeholders and prioritising delivery excellence, OCU enhance their reputation as reliable delivery partners.

As an agile organisation, OCU continuously strive to evolve and adapt. This agility allows the Group to respond swiftly to changing industry and client needs, enabling it to leverage opportunities in the wider sector so that everyone benefits. As OCU grow, they are able to offer clients additional services and solutions through organic or acquired businesses.

*Partners*

OCU understand that the effectiveness of contractors and the efficient supply of raw materials are crucial to delivering work for clients successfully. Equally important are the strong relationships the Group nurtures with public bodies and other organisations involved in daily operations.

OCU Utility Services Limited  
Strategic report (continued)  
For the year ended 30 April 2024

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OCU have established strong partnerships with their supply chain, including labour providers and key raw material suppliers. Extensive onboarding for new operatives ensures the health and safety of all personnel and the public on site, while enabling OCU to maintain high service standards.

The Group continuously reviews the supply chain to ensure alignment with delivery requirements and ethical standards, as well as those of its clients. The Group is committed to enhancing its supply chain governance and integrity, ensuring it remains fit for purpose as it continues to expand.

*Communities*

OCU recognise their role in shaping the community in both the short and long term. OCU's aim is to use their activities to create a lasting, positive legacy wherever they operate.

The Group actively engages with its communities to make informed decisions that improve operations and their outcomes. For long-term projects, the Group initiates proactive engagement through town hall meetings, providing a platform for community voices, listening to their feedback, and addressing their concerns.

OCU take their responsibilities towards the public, local residents and businesses very seriously. Building trust within their communities is paramount, and the Group invests significant time and effort in ensuring its actions align with community needs and expectations. This approach helps foster strong, supportive relationships within the areas OCU serve.

On behalf of the board



David Matthew Snowball

**Director**

Date: 28/01/25

# OCU Utility Services Limited

## Directors' report

### For the year ended 30 April 2024

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The Directors present their report with the financial statements of the Company for the year ended 30 April 2024.

#### **Principal activities**

The principal activity of the Company was that of a multi-utility services specialist operating within regulated infrastructure.

#### **Results and dividends**

The results for the year are set out on page 13. No ordinary dividends were paid in the year (2023: £43,987,124). The Directors do not recommend payment of a final dividend.

#### **Directors**

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

Michael Joseph McNulty	
Denis Adrian O'Sullivan	
Vincent Stephen Bowler	(Resigned 1 November 2024)
Michael Blake Hughes	
David Matthew Snowball	
Richard Donald Lye	
Paul Martin Alderton	(Appointed 23 August 2023)
Christopher Frederick George Corrie	(Appointed 15 January 2024)
Peter Joseph Flitcroft	(Resigned 31 December 2023)

#### *Qualifying third party indemnity provisions*

The Group, on behalf of the Company has made qualifying third party indemnity provisions for the benefit of its Directors during the year. These provisions remain in force at the reporting date.

#### **Strategic report**

The Company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Company'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.

#### **Energy and carbon report**

The Company has not presented a carbon emissions report as this has been included within the consolidated financial statements of Oat Topco Limited, the Company's intermediate parent entity incorporated in England and Wales. These consolidated financial statements are available from Companies House, Crown Way, Maindy, Cardiff, CF14 3UZ.

#### **Disability discrimination**

Under the Equality Act a disabled person is anyone with "a physical or mental impairment that has a substantial and long-term 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 the Group continues. As far as possible, we ensure that the timing, career development and promotion of disabled persons is the same as that of other colleagues.

OCU Utility Services Limited  
Directors' report (continued)  
For the year ended 30 April 2024

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**Employee involvement**

The flat management structure and open culture provides local accountability and fosters open communication and unity between employees across the OCU Group. This is promoted internally as 'One Company United'. The Group regularly engages with employees, including through employee surveys; the OCU Group's magazine, 'Insight', which is published quarterly; and periodic CEO Update videos. The People First benefits initiative was introduced to reinforce the commitment to employees, with further benefits announced in 2024. HR and payroll systems continue to be invested in, to enable management of the employee community and a learning and development team has been established to support and develop employees at all levels.

**Going concern**

The financial statements have been prepared on a going concern basis. The Company is a member of the OCU consolidated group (the "Group") whose intermediate parent entity is Oat Topco Limited. The Company is under common management of the Group and benefits from Group support when needed.

The Group has made operating profits and has generated cash from operations during the year ended 30 April 2024, 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. Further detail is provided in note 1.

**Independent auditors**

RSM UK Audit LLP continued as auditor to the Company and have indicated their willingness to be reappointed for another term. A proposal to reappoint RSM UK Audit LLP has been made to the Board.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Company's auditor is unaware. Additionally, the Directors have individually taken all the necessary steps that they ought to have taken as Directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditor is aware of that information.

On behalf of the board



David Matthew Snowball  
Director

Date: 28/01/25

# OCU Utility Services Limited

## Directors' responsibilities statement

### For the year ended 30 April 2024

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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 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 UK 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 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.

## Independent auditor's report To the Members of OCU Utility Services Limited

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### **Opinion**

We have audited the financial statements of OCU Utility Services Limited (the "Company") for the year ended 30 April 2024 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

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.

## Independent auditor's report To the Members of OCU Utility Services Limited

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### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

### **Matters on which we are required to report by exception**

In 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 or the directors' report.

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

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 9, 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk 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 and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

## Independent auditor's report To the Members of OCU Utility Services Limited

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In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the Company operates in and how the Company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal and external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the Company is in compliance with these law and regulations and inspected legal costs, board minutes and other relevant sources for evidence of undisclosed issues.

The audit engagement team identified the risk of management override of controls and management bias in accounting estimates as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business. We evaluated whether there was evidence of bias by management in accounting estimates that represented a risk of material misstatement due to fraud. We challenged assumptions and judgements made by management in their significant accounting estimates, in particular in relation to contract accounting, including the expected margin through assessment of post year end performance and stage of completion, through discussions with the relevant individuals and inspection of year end valuations.

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

### **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.

*A C Monteith*

Andrew Monteith (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Ninth Floor, Landmark  
St Peter's Square  
1 Oxford Street  
Manchester  
M1 4PB

Date: 28/01/25

OCU Utility Services Limited  
Statement of comprehensive income  
For the year ended 30 April 2024

	Notes	2024 £'000	2023 £'000
<b>Turnover</b>	3	303,187	289,231
Cost of sales		(268,821)	(248,100)
<b>Gross profit</b>		<u>34,366</u>	<u>41,131</u>
Administrative expenses		(20,568)	(14,280)
Exceptional items	5	(1,094)	(77)
Other operating income	4	223	277
<b>Operating profit</b>	5	<u>12,927</u>	<u>27,051</u>
Interest receivable and similar income		94	43
Interest payable and similar expenses		(167)	(90)
<b>Profit before taxation</b>		<u>12,854</u>	<u>27,004</u>
Tax on profit	11	(3,616)	(5,332)
<b>Profit for the financial year</b>		<u><u>9,238</u></u>	<u><u>21,672</u></u>

All amounts relate to continuing operations.

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

The notes on pages 16 to 31 form part of these financial statements.

OCU Utility Services Limited  
Statement of financial position  
As at 30 April 2024

	Notes	2024 £'000	2023 £'000
<b>Non-current assets</b>			
Intangible assets	13	3,377	-
Tangible assets	14	1,066	1,013
Investments	15	21,710	4,771
		<u>26,153</u>	<u>5,784</u>
<b>Current assets</b>			
Debtors falling due after more than one year	17	-	1,041
Stock	16	7,081	7,339
Debtors falling due within one year	17	123,895	108,912
Cash at bank and in hand		12,088	8,503
		<u>143,064</u>	<u>125,795</u>
<b>Creditors: amounts falling due within one year</b>	18	(111,783)	(80,753)
<b>Net current assets</b>		<u>31,281</u>	<u>45,042</u>
<b>Total assets less current liabilities</b>		<u>57,434</u>	<u>50,826</u>
<b>Creditors: amounts falling due after more than one year</b>	19	(450)	(3,080)
<b>Net assets</b>		<u>56,984</u>	<u>47,746</u>
<b>Capital and reserves</b>			
Called up share capital	21	100	100
Profit and loss reserves		56,884	47,646
<b>Total equity</b>		<u>56,984</u>	<u>47,746</u>

The notes on pages 16 to 31 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 28 January 2025 and were signed on its behalf by:



David Matthew Snowball  
Director

Company Registration Number 02916906

OCU Utility Services Limited  
Statement of changes in equity  
For the year ended 30 April 2024

	Notes	Share capital £'000	Profit and loss reserve £'000	Total £'000
<b>Balance at 1 May 2022</b>		100	69,961	70,061
Profit and total comprehensive income for the year		-	21,672	21,672
Dividends	12	-	(43,987)	(43,987)
<b>Balance at 30 April 2023</b>		<b>100</b>	<b>47,646</b>	<b>47,746</b>
Profit and total comprehensive income for the year		-	9,238	9,238
<b>Balance at 30 April 2024</b>		<b>100</b>	<b>56,884</b>	<b>56,984</b>

The notes on pages 16 to 31 form part of these financial statements.

# OCU Utility Services Limited

## Notes to the financial statements

### For the year ended 30 April 2024

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#### 1 Accounting policies

##### **Basis of preparation**

OCU Utility Services Limited (the "Company") is a private company limited by shares, domiciled and incorporated in England and Wales. The registered office is Artemis House, 6 - 8 Greek Street, Stockport, England, SK3 8AB.

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 Company. Monetary amounts in these financial statements are rounded to the nearest thousand (£000).

The financial statements have been prepared under the historical cost convention.

The principal accounting policies adopted are set out below.

This Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following:

- The requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv) to prepare a reconciliation of the number of equity shares outstanding at the beginning and at the end of the financial year;
- The requirements of section 7 Statement of Cash flows and Section 3 Financial Statement Presentation Paragraph 3.17(d) to prepare a statement of cash flows;
- The requirements of Section 11 paragraphs 11.39 to 11.48(a) and Section 12 paragraphs 12.26 to 12.29A, regarding disclosures for financial liabilities and assets, as the equivalent disclosures required by FRS 102 are included in the consolidated financial statements of the group in which the entity is consolidated; and
- The requirements of disclosing the Company key management personnel compensation, as required by paragraph 33.7; and
- The requirements of Section 33 Related Party Disclosures paragraph 33.9 to disclose related party transactions within the other members of the group headed by Oat Topco Limited.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the Company as an individual entity and not about its Group.

The Company is a wholly owned subsidiary of OCU Group Limited and the results of OCU Utility Services Limited are included in the consolidated financial statements of OCU Group Limited and Oat Topco Limited which are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

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**1 Accounting policies (continued)**

**Going concern**

The financial statements have been prepared on a going concern basis. The Company is a member of the OCU consolidated group (the "Group") whose intermediate parent entity is Oat Topco Limited. The Company is under common management of the Group and benefits from Group support when needed.

The Group has made operating profits and has generated cash from operations during the year ended 30 April 2024, 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, the Group completed a successful refinancing of its debt facilities into term loans of £200m and €530m and new revolving credit facilities to continue to meet short term cash flow requirements. Management gave due consideration to the ability of the Group to meet the cash flow obligations introduced by these loans 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.

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 Company 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.

**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 in the period are included in profit or loss.

**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.

**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 Company 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.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

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**1 Accounting policies (continued)**

**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 profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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 leases asset are consumed.

**Research and development expenditure**

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

**Taxation**

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

**Current tax**

The tax currently receivable is based on taxable profit for the period. 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 Company'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 when the Company has 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.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

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**1 Accounting policies (continued)**

**Value Added Tax ("VAT")**

Revenue, expenses and assets are recognised net of the amount of VAT, except where the VAT incurred is not recoverable from His Majesty's Revenue and Customs ("HMRC") and is therefore recognised as part of the asset's cost or as part of the expense item. Receivables and payables are stated inclusive of VAT.

The net amount of VAT payable to HMRC is included as part of Creditors: Amounts falling due within one year in the statement of financial position.

**Fixed asset investments**

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss. A subsidiary is an entity controlled by the Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**Intangible fixed assets**

The Group recognises intangible assets where it is probable that the expected future economic benefits attributable to the asset will flow to the entity and the cost or value of the asset can be measured reliably. Where the Group performs research and development activity, costs relating to the research phase are expensed to profit and loss, with no intangible asset created (where it is not possible to demonstrate that a viable intangible asset capable of delivering probable future economic benefits exists). If sufficient productive research is performed to enable the Group to demonstrate that it is technically feasible to produce an intangible asset which can be used or sold to generate probable future economic benefits, and that it has the resources and intention to complete development on the asset, an internally generated intangible asset may be recognised in respect of further costs incurred to fully develop the asset beyond this point.

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Software	10% straight line
Other	10% straight line

**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	17% - 33% straight line
Fixtures and fittings	10% - 33% straight line
Leasehold improvements	straight line over the lease term

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, and is credited or charged to profit or loss.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

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**1 Accounting policies (continued)**

During the year the depreciation bases were changed from the following which were used in the prior year, in order to better reflect the useful economic life of assets:

Plant and machinery	17% - 33% on reducing balance
Fixtures and fittings	20% - 33% on reducing balance

As a result of the above change in accounting estimate, the impact on the depreciation and the fixed assets balance was immaterial during the current year.

**Impairment of assets**

At each reporting period end date, the Company reviews the carrying amounts of its fixed asset investments 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.

**Stock**

Raw materials and consumables cost is the purchase price, and is determined on the first-in, first-out method and is recognised as an expense in the year in which the related revenue is recognised. Stocks are valued at the lower of cost and net recognisable value, after making due allowance for obsolete and slow moving items. Items of inventory acquired for contracts are 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 and cash equivalents 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.

**Financial instruments**

The Company 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 Company's balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognized 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, loans to fellow group companies 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.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

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**1 Accounting policies (continued)**

***Basic financial liabilities***

Basic financial liabilities, including creditors and loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. 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.

***Equity instruments***

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

***Provisions***

Provisions are recognised when the Company has a legal or constructive present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

**2 Judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. During the current and prior year, there were no areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the financial statements.

In the application of the Company'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.

In these financial statements the Directors have considered the following:

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**2 Judgements and key sources of estimation uncertainty (continued)**

*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.

*Estimates for remedial costs and insurance claims*

Liabilities have been made for remedial costs based on knowledge of contracts and insurance claims based on industry norms and the actual costs and timing of future cash flows are dependent on future events. The difference between expectations and the actual future liability will be accounted for in the period when such determination is made.

*Recoverability of accrued income*

The Company makes an estimate of the recoverable value of accrued income. When assessing impairment of accrued income, management considers factors including the current ageing profile of the accrued income, stage of completion of the contract 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 14 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**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Turnover analysed by class of business</b>		
Provision of services	303,187	289,231

All turnover was generated in the United Kingdom.

**4 Other operating income**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
R&D expenditure credit	223	263
Other income	-	14
	223	277

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**5 Operating profit**

Operating profit for the year is stated after charging / (crediting):

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Exchange gains	(56)	(30)
Amortisation of intangible assets (note 13)	50	-
Depreciation of owned tangible fixed assets	382	200
Exceptional items (see table below)	1,094	77
Operating lease charges	1,319	1,359

Exceptional items comprise the following:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
System implementation costs	413	-
Impairment of investment in F.K.S Limited (note 15)	603	-
Restructuring	78	77
	<u>1,094</u>	<u>77</u>

Reconciliation of adjusted EBITDA to profit before tax

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Adjusted EBITDA	14,453	27,328
Depreciation of property, plant and equipment	(382)	(200)
Amortisation of intangible assets	(50)	-
Exceptional items	(1,094)	(77)
Operating profit	12,927	27,051
Net finance costs	(73)	(47)
Profit before tax	<u>12,854</u>	<u>27,004</u>

**6 Auditor's remuneration**

Fees payable to the Company's auditor and associates:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>For audit services</b>		
Audit of the financial statements of the Company	90	90
<b>For other services</b>		
All other non-audit services	<u>-</u>	<u>-</u>

**OCU Utility Services Limited**  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**7 Employees**

The average number of persons employed by the Company during the year (including Directors) was:

	<b>2024</b>	<b>2023</b>
	<b>No.</b>	<b>No.</b>
Directors	4	5
Construction services	24	22
Administrative	319	272
	<u>347</u>	<u>299</u>

Their aggregate remuneration comprised:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	15,834	10,809
Social security costs	1,823	1,366
Pension costs	638	613
	<u>18,295</u>	<u>12,788</u>

In both 2023 and 2024, a number of employees whose primary roles support the activities of other group entities, have been recharged to those entities at cost. Costs for those employees have been removed from the total costs presented above.

**8 Directors' remuneration**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Remuneration for qualifying services	1,313	1,189
Company pension contributions to defined contribution schemes	114	131
	<u>1,427</u>	<u>1,320</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2023: 4).

The remuneration disclosed above include the following amounts paid to the highest paid director:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Remuneration for qualifying services	478	360
Company pension contributions to defined contribution schemes	36	38
	<u>514</u>	<u>398</u>

Emoluments for four directors were settled by other group companies in the year.

**9 Interest receivable and similar income**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Interest on bank deposits	94	43
	<u>94</u>	<u>43</u>

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**10 Interest payable and similar expenses**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Interest on bank overdrafts and loans	67	12
Unwinding of discount on contingent consideration	100	75
Other interest	-	3
	<u>167</u>	<u>90</u>

**11 Taxation**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	2,405	3,426
Group relief payable	1,421	2,023
Adjustments in respect of prior periods	(59)	29
Foreign tax	124	-
Total current tax charge	<u>3,891</u>	<u>5,478</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(304)	(146)
Adjustments in respect of prior periods	29	-
Total deferred tax credit	<u>(275)</u>	<u>(146)</u>
Total tax expense	<u>3,616</u>	<u>5,332</u>

The actual tax charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Profit before taxation	<u>12,854</u>	<u>27,004</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023: 19.49%):	3,214	5,263
<i>Effects of:</i>		
Expenses not deductible for tax purposes	263	93
Adjustments in respect of prior years	(30)	29
Group relief claimed	(1,421)	(2,023)
Group relief surrendered	1,421	2,023
Depreciation in excess of capital allowances	26	20
Movement in deferred tax not recognised	-	(53)
Foreign tax credits not used	124	-
Remeasurement of deferred tax for changes in tax rates	-	(20)
R&D expenditure credits	19	-
Taxation charge for the year	<u>3,616</u>	<u>5,332</u>

**12 Dividends**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Declared and paid during the year</b>		
Interim dividend of £nil per ordinary share (2023: £439.87)	<u>-</u>	<u>43,987</u>

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**13 Intangible fixed assets**

	Software £'000	Other £'000	Total £'000
<b>Cost</b>			
At 1 May 2023	-	-	-
Additions	3,385	42	3,427
At 30 April 2024	<u>3,385</u>	<u>42</u>	<u>3,427</u>
<b>Amortisation</b>			
At May 2023	-	-	-
Charge for the year	48	2	50
At 30 April 2024	<u>48</u>	<u>2</u>	<u>50</u>
<b>Net book value</b>			
At 30 April 2024	<u>3,337</u>	<u>40</u>	<u>3,377</u>
At 30 April 2023	<u>-</u>	<u>-</u>	<u>-</u>

**14 Tangible fixed assets**

	Plant and machinery £'000	Fixtures and fittings £'000	Leasehold improvements £'000	Total £'000
<b>Cost</b>				
At 1 May 2023	2,617	606	330	3,553
Additions	32	720	189	941
Disposals	(2,617)	-	-	(2,617)
At 30 April 2024	<u>32</u>	<u>1,326</u>	<u>519</u>	<u>1,877</u>
<b>Depreciation</b>				
At 1 May 2023	2,111	382	47	2,540
Charge for the year	32	193	157	382
On disposal	(2,111)	-	-	(2,111)
At 30 April 2024	<u>32</u>	<u>575</u>	<u>204</u>	<u>811</u>
<b>Net book value</b>				
At 30 April 2024	<u>-</u>	<u>751</u>	<u>315</u>	<u>1,066</u>
At 30 April 2023	<u>506</u>	<u>224</u>	<u>283</u>	<u>1,013</u>

All disposals in the year were made to another group company at net book value, therefore no profit or loss on disposal was generated.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**15 Fixed asset investments**

	2024 £'000	2023 £'000
<b>Cost or valuation</b>		
At 1 May	4,771	603
Additions	20,163	4,168
Revaluation of deferred consideration	(2,621)	-
	22,313	4,771
<b>Impairment</b>		
Charge for the year	(603)	-
	(603)	-
<b>Carrying amount</b>		
At 30 April	21,710	4,771

Details of the Company's subsidiaries at 30 April 2024 are as follows:

Name of undertaking	Company number	Nature of business	Class of shares held
F.K.S. (UK) Limited	06505321	Telecom cable installation and ancillary services	Ordinary
InICT Ltd	11493597	Other telecommunications activities	Ordinary
OCU Northavon Group Limited	02516226	Installation of industrial machinery and equipment, construction of water projects, electrical installation	A Ordinary B Ordinary
OCU Northavon Holdings Limited	12961744	Holding company	Ordinary
OCU Northavon Water Services Limited	13748582	Construction of water projects	Ordinary
Multivein Limited	12892252	Construction of utility projects for fluids	Ordinary
Artemis Fibre Limited	15129999	Dormant company	Ordinary

All companies are 100% owned. At the year end, InICT Limited was 70% owned but fully controlled owing to a put / call option in place. After the year end, this option was exercised and the remaining 30% shareholding was purchased.

The registered office of all companies is Artemis House, 6-8 Greek Street, Stockport, England, SK3 8AB.

On 19 May 2023, the Company acquired 100% of the ordinary share capital of Northavon Group Limited, Northavon Holdings Limited, Northavon Water Services Limited and Multivein Limited, along with their subsidiaries (together 'Northavon'), for total consideration of £19.8m. Northavon brings a comprehensive range of water solutions and water services, including design, build and maintenance for both industrial and private clients.

In the prior year, on 29 September 2022, the Company acquired 60% of the ordinary share capital of InICT Ltd ("InICT"). Consideration comprised upfront cash of £1.0m and a put/call option over the remaining 40% of the shares. During the year ended 30 April 2024, a further 10% of the share capital was acquired and subsequent to the year end, the remaining 30% of the share capital was acquired.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**15 Fixed asset investments (continued)**

Details of the Company's indirectly owned subsidiaries at 30 April 2024 are as follows:

Name of undertaking	Company number	Nature of business	Class of shares held
Hydrovein Limited	11529153	Dormant company	Ordinary
OCU Northavon Highways & Utilities Limited (formerly Northavon Highways & Utilities Limited)	10308794	Dormant company	Ordinary
OCU Northavon Water Services Limited (formerly Northavon Water Services Limited)	13748582	Dormant company	Ordinary
OCU Northavon Infrastructure & Utilities Limited (formerly Northavon Infrastructure & Utilities Limited)	14597544	Dormant company	Ordinary
Setfords Technology Limited	07715931	Utility and energy services	Ordinary
OCU Northavon Renewable Energy Limited (formerly Northavon Renewable Energy Limited)	14599026	Dormant company	Ordinary

All companies are 100% owned. All companies are incorporated in England and Wales. The registered office of all entities is Artemis House, 6 - 8 Greek Street, Stockport, SK3 8AB.

**16 Stock**

	2024 £'000	2023 £'000
Stocks	7,081	7,339
	<u>7,081</u>	<u>7,339</u>

**17 Debtors**

	2024 £'000	2023 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	25,464	24,542
Amounts owed by group undertakings	17,105	17,885
Other debtors	1,823	1,919
Prepayments and accrued income	76,583	64,421
Corporation tax	2,499	-
Deferred tax asset (see note 20)	421	145
	<u>123,895</u>	<u>108,912</u>
<b>Amounts falling due after more than one year:</b>		
Other debtors	-	1,041
	<u>-</u>	<u>1,041</u>
	<u>123,895</u>	<u>109,953</u>

Trade debtors are stated after a provision for impairment of £nil (2023: £7,694).

Amounts owed by group undertakings do not attract interest and are repayable on demand.

OCU Utility Services Limited  
Notes to the financial statements (continued)  
For the year ended 30 April 2024

**18 Creditors: amounts falling due within one year**

	2024	2023
	£'000	£'000
Trade creditors	5,631	17,683
Amounts owed to group undertakings	70,433	25,317
Accruals and deferred income	21,204	17,140
Corporation tax	-	2,722
Social security and other taxes	6,764	11,619
Other creditors	7,751	6,272
	<u>111,783</u>	<u>80,753</u>

Amounts owed to group undertakings do not attract interest and are repayable on demand.

**19 Creditors: amounts falling due after one year**

	2024	2023
	£'000	£'000
Other creditors	450	3,080
	<u>450</u>	<u>3,080</u>

Other creditors include contingent and deferred consideration owing to the acquisition of InICT Limited (note 15).

**20 Deferred tax**

<b>Movements in the year</b>	<b>2024</b>	<b>2023</b>
	£'000	£'000
Balance at 1 May	146	-
Profit and loss account movement arising during the period	275	146
<b>Balance at 30 April</b>	<u>421</u>	<u>146</u>

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2024	2023
	£'000	£'000
Fixed asset timing differences	(113)	47
Short-term differences	534	99
	<u>421</u>	<u>146</u>

**21 Share capital**

	2024	2023	2024	2023
	Number	Number	£'000	£'000
<b>Ordinary share capital</b>				
Issued and fully paid				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100</u>	<u>100</u>

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

**OCU Utility Services Limited**  
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**22 Operating lease commitments**

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

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	1,435	1,344
Between two and five years	4,383	4,359
Over five years	13,294	14,201
	<u>19,112</u>	<u>19,904</u>

**23 Retirement benefit schemes**

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	638	613
	<u>638</u>	<u>613</u>

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. At the year end, there was an outstanding balance payable of £109,786 (2023: £161,504).

**24 Related party transactions**

The Company has taken advantage of the exemption available under FRS102 paragraph 33.1A whereby it has not disclosed transactions with the parent Company or any wholly owned subsidiary undertakings of the Group.

**25 Ultimate controlling party**

The Company's immediate parent is OCU Group Limited, a company registered in England and Wales.

At 30 April 2024, the Company's ultimate parent undertaking was Triton Managers V Limited, a company registered in Jersey, with registered address Cooil House, 5-6 Esplanade, 1<sup>st</sup> Floor St. Helier, Jersey, JE2 3QA.

OCU Group is the smallest group, and Oat Topco Limited is the largest group, for which consolidated accounts are prepared, both with registered address Artemis House, 6 – 8 Greek Street, Stockport, England, SK3 8AB.

**OCU Utility Services Limited**  
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**26 Contingent liabilities**

From 24 October 2022 until 4 November 2024, the Company was a guarantor to the Senior Facilities Agreement ('SFA') dated 19 July 2022, and amended (most recently) on 24 October 2023. The Company's intermediary parent company, Oat Bidco Limited, was a borrower under the SFA. The principal and accrued interest under the SFA at 30 April 2024 was £371.5m. Pursuant to the terms of the SFA, the Company had given a guarantee (along with other group companies) in relation to all liabilities outstanding under the SFA in favour of the Lenders (as defined under the SFA).

**27 Events after the reporting date**

On 22 October 2024, the Company acquired 100% of the share capital of Peter McCormack & Sons Limited. Peter McCormack & Sons Limited has over a five-decade history of delivering trenchless technology solutions and major Horizontal Directional Drilling projects throughout the United Kingdom and Ireland.

After the year end, the Company exercised its put/call option over the remaining 30% of share capital in InICT Ltd. On 1 October 2024, InICT Ltd transferred its assets, liabilities and associated trade to the Company.