

COMPANIES HOUSE
25 JAN 2023
EDINBURGH MAILBOX

HALCROW INTERNATIONAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

REGISTERED NUMBER: 02326765



HALCROW INTERNATIONAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Corporate Information

Directors	K Kenny S Miles
Secretary	T Chaudhary
Registered Office	Cottons Centre Cottons Lane London SE1 2QG
Registered number of incorporation	02326765
Bankers	Bank of America 2 King Edward Street London EC1A 1HQ
Auditors	Ernst & Young LLP G1 5 George Square Glasgow G2 1DY

HALCROW INTERNATIONAL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

CONTENTS

	<u>Pages</u>
Strategic report	1
Directors' report	2-3
Statement of Directors' responsibilities	4
Independent auditor's report to the members of Halcrow International Limited	5-7
Profit and loss account	8
Statement of other comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the Financial Statements	12-19

HALCROW INTERNATIONAL LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Strategic report is prepared in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Our Business

Halcrow International Limited is a Holding Company, whose subsidiaries provide engineering, consulting, design, design for design-build, procurement, operations and maintenance, programme management and technical services in select markets around the world.

Services are provided to a diverse customer base. Our clients include public and private sector organizations around the world, including local, regional and national governments, asset owners, international funding agencies, regulators, financial institutions, contractors, developers and operators. We believe we provide our clients with innovative project delivery using cost-effective approaches and advanced technologies.

Revenues of our subsidiaries are dependent upon our ability to attract and retain qualified and professional employees, identify business opportunities, allocate our labour resources to profitable markets, secure new contracts, execute existing contracts and maintain existing client relationships. Moreover, as a professional services company, the quality of the work generated by our employees is integral to our revenue generation.

The immediate parent undertaking is Halcrow Consulting Limited, a company incorporated in the United Kingdom (Cottons Centre, Cottons Lane, London, SE1 2QG).

The intermediate parent undertaking is CH2M Hill Europe Limited, also incorporated in the United Kingdom (Cottons Centre, Cottons Lane, London SE1 2QG).

The ultimate parent company, effective from 29 August 2022, is Jacobs Solutions Inc. ("Jacobs"), a new holding Company which became the new parent entity of Jacobs Engineering Group Inc, the Company's previous ultimate parent. Jacobs is based in the USA and is listed on the New York Stock Exchange (NYSE). The results of Halcrow International Limited are consolidated into the Group Financial Statements of Jacobs and copies of the Consolidated Financial Statements are available on the Group's website: www.jacobs.com.

Principal Risks and Uncertainties Related to Our Business

Investment risk - this is primarily attributable to the Company's investments held in subsidiary undertakings where the past or expected future financial performance of the subsidiary undertaking may impact the carrying value of the Company's investment. Management monitors for evidence of such performance issues or other impairment indicators on a periodic basis and an allowance for impairment is made as appropriate.

Credit risk - this is primarily attributable to the Company's receivables from and payables to group and related undertakings. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Business Review and Outlook

The company made a loss on ordinary activities after taxation in the year ended 30 September 2022 of £246,617 (2021: £2,266,577 loss).

The Directors assess the financial position of the Company through review of banking arrangements and costs incurred in running the company annually.

Future developments

It is the intention of the directors that the company will remain as a holding company for the foreseeable future.

Economic disruption caused by Covid and other geo-political events

Covid 19 and other geo-political events have not had a material impact on the company.

By order of the board of directors on



S Miles

Director

Date: 20/01/2023

HALCROW INTERNATIONAL LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Directors present their report on the affairs of the Company, together with the audited financial statements for the year ended 30 September 2022

Principal activity

The Company is the Holding Company of a group of companies supplying services as consulting engineers.

Results

The Company's results are outlined in the Strategic Report.

The Company contracts with professional services firms as required and manages good relationships with its bankers. The Directors review external relationships and the company's performance on a regular basis.

Dividend

The directors are unable to recommend a dividend payment in respect of the year ended 30 September 2022 (2021: £nil).

Share capital

The ordinary share capital of the Company at 30 September 2022 was held beneficially as follows:

Halcrow Consulting Limited 16,932,917 ordinary shares (100%)

Directors

The following served on the board of directors during the year under review and to the current date:

D Morrison (Resigned 15 December 2022)

S Miles

K Kenny (Appointed 15 December 2022)

Going concern

The Company's business activities together with the factors likely to affect its future developments and position are set out in the Strategic Report on pages 1 to 2. The Company has recorded a profit before tax in both the current and previous financial years and the Company's balance sheet shows that it has current assets of £2,659k and current liabilities of £22,746k at its most recent balance sheet date.

In assessing whether the financial statements of the Company should be prepared on a going concern basis, the Directors have considered the current trading performance, budgets, current market conditions and the longer-term outlook of the Company and its subsidiaries.

Whilst there has been a prolonged period of economic uncertainty due to the Coronavirus (COVID19) pandemic and other geo-political events, the Company has managed the issues with limited overall impact on trading results or strategic plans.

The directors have prepared the financial statements on a going concern basis as they expect that adequate financing will be in place principally provided by parental support as necessary. The company is funded by amounts advanced from other Jacobs group companies. These amounts have no prescribed terms and are therefore repayable on demand. Having made appropriate enquiries, the directors are confident that the funding from other group companies will continue to be provided throughout the going concern period. As there is no formal commitment from Jacobs Solutions Inc for these funds to be provided throughout the going concern period, this represents a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. Based on the confidence of the directors that the funds would be provided whenever necessary, the financial statements continue to be prepared on a going concern basis. The financial statements do not include the adjustments that would be required if the company was unable to continue as a going concern.

HALCROW INTERNATIONAL LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

(continued)

Auditor

Each of the persons who is a Director at the date of approval of this report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the company auditor is unaware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Approved by the Board and signed on its
behalf by:

Registered office:
Cottons Centre
Cottons Lane
London SE1 2QG
United Kingdom



S Miles
Director
Date: 20/01/2023

Registered Number:
02326765

HALCROW INTERNATIONAL LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE
DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HALCROW INTERNATIONAL LIMITED

Opinion

We have audited the Financial Statements of Halcrow International Limited for the year ended 30 September 2022 which comprise Profit and Loss account, Statement of Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the Company's affairs as at 30 September 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Material uncertainty related to going concern

We draw attention to note 1(b) in the financial statements, which indicates that the directors have prepared the financial statements on a going concern basis as they expect that adequate financing will be in place principally provided by parental support as necessary and that the company will continue to operate for the foreseeable future. However, a formal letter of support has not been provided by the parent. As stated in note 1(b), these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the entity's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's/group's ability to continue as a going concern.

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 this report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HALCROW INTERNATIONAL LIMITED

(continued)

Other information (continued)

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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and 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 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; or

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

HALCROW INTERNATIONAL LIMITED

(continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework, being FRS 102 and the Companies Act 2006, and the relevant tax compliance regulations in the UK.
- We understood how the company is complying with those frameworks by making enquiries of management, those charged with governance, and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and any correspondence with tax authorities. We noted no contradictory evidence.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management, including within various parts of the business, to understand where they considered there was susceptibility to fraud. Where the risk was considered higher, we performed specific procedures including testing of manual journals to provide reasonable assurance that the financial statements were free from fraud and error.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved reading board minutes, enquiries of legal Counsel, enquiries of management as well as the application of data analytical tools with a focus on manual journals and transactions that have heightened risk by nature.

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.

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.

Ernst & Young LLP

Kevin Weston (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow

24 January 2023

HALCROW INTERNATIONAL LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	<u>2022</u> £	<u>2021</u> £
Administrative (expense)/ income		<u>(172,401)</u>	<u>58,487</u>
Operating (loss)/ profit	2	(172,401)	58,487
Impairment of balances due from group undertakings		277,131	(2,103,374)
Interest receivable and similar income	3	38,808	24,360
Interest payable and similar charges	4	<u>(429,834)</u>	<u>(289,888)</u>
Loss on ordinary activities before taxation		(286,296)	(2,310,415)
Tax on loss on ordinary activities	5	<u>39,679</u>	<u>43,838</u>
Loss for the financial year		<u><u>(246,617)</u></u>	<u><u>(2,266,577)</u></u>

All items in the above profit and loss account relate to continuing operations.

HALCROW INTERNATIONAL LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	<u>2022</u> £	<u>2021</u> £
Loss for the year		<u>(246,617)</u>	<u>(2,266,577)</u>
Total Comprehensive Loss for the year		<u><u>(246,617)</u></u>	<u><u>(2,266,577)</u></u>

HALCROW INTERNATIONAL LIMITED
BALANCE SHEET AT 30 SEPTEMBER 2022

	Notes	<u>2022</u> £	<u>2021</u> £
Fixed assets			
Investments			
Investments in Subsidiaries	6	107,578	107,578
Investments in Associates	7	-	-
		<u>107,578</u>	<u>107,578</u>
Current assets			
Debtors: amounts falling due within one year	8	1,415,224	1,398,012
Cash at bank and in hand		<u>1,243,996</u>	<u>715,191</u>
		2,659,220	2,113,203
Creditors: amounts falling due within one year	9	<u>(22,745,638)</u>	<u>(21,953,004)</u>
Net current liabilities		<u>(20,086,418)</u>	<u>(19,839,801)</u>
Total assets less current liabilities		<u>(19,978,840)</u>	<u>(19,732,223)</u>
Net liabilities		<u>(19,978,840)</u>	<u>(19,732,223)</u>
Capital and reserves			
Called up share capital	10	16,932,917	16,932,917
Profit and loss account		<u>(36,911,757)</u>	<u>(36,665,140)</u>
Shareholder's deficit		<u>(19,978,840)</u>	<u>(19,732,223)</u>

The Financial Statements for Halcrow International Limited, registered number 02326765, were approved by the board of directors and authorised for issue on

They were signed on its behalf by:



S Miles

Director

Date: 20/01/2023

HALCROW INTERNATIONAL LIMITED
STATEMENT OF CHANGES IN EQUITY AT 30 SEPTEMBER 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
Balance at 03 October 2020:	16,932,917	(34,398,563)	(17,465,646)
Loss for the year	-	(2,266,577)	(2,266,577)
Total comprehensive loss for the year	-	(2,266,577)	(2,266,577)
Balance at 01 October 2021 and 02 October 2021	16,932,917	(36,665,140)	(19,732,223)
Loss for the year	-	(246,617)	(246,617)
Total comprehensive loss for the year	-	(246,617)	(246,617)
Balance at 30 September 2022	16,932,917	(36,911,757)	(19,978,840)

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

Halcrow International Limited is a private company limited by shares and incorporated and domiciled in the UK.

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The presentation currency of these financial statements is sterling.

Consolidated Financial Statements have not been prepared as the Company is itself a wholly owned subsidiary of Halcrow Holdings Limited, a company incorporated in the Great Britain, as permitted by section 400 of the Companies Act 2006. These Financial Statements present information for the Company and not the group.

The Company is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The Company is included in consolidated Financial Statements of Jacobs Engineering Group Inc. The following exemptions available under FRS 102 in respect of certain disclosures for the Financial Statements have been applied:

- (i) No Cash Flow Statement with related notes is included
- (ii) Key Management Personnel compensation is not disclosed
- (iii) Transactions with companies within the Halcrow Holdings group are not disclosed

This information is included in the consolidated financial statements of Jacobs Solutions Inc, the ultimate parent company of Halcrow International Limited, effective from 29 August 2022. Jacobs Solutions Inc is a new holding company of the previous ultimate parent Jacobs Engineering Group Inc. These financial statements are available from the Jacobs website: www.jacobs.com.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

(a) *Measurement convention*

The Financial Statements are prepared on the historical cost basis.

(b) *Going concern*

The Company's business activities together with the factors likely to affect its future developments and position are set out in the Strategic Report on pages 1 to 2. The Company has recorded a profit before tax in both the current and previous financial years and the Company's balance sheet shows that it has current assets of £2,659k and current liabilities of £22,746k at its most recent balance sheet date.

In assessing whether the financial statements of the Company should be prepared on a going concern basis, the Directors have considered the current trading performance, budgets, current market conditions and the longer-term outlook of the Company and its subsidiaries.

Whilst there has been a prolonged period of economic uncertainty due to the Coronavirus (COVID19) pandemic and other geo-political events, the Company has managed the issues with limited overall impact on trading results or strategic plans.

The directors have prepared the financial statements on a going concern basis as they expect that adequate financing will be in place principally provided by parental support as necessary. The company is funded by amounts advanced from other Jacobs group companies. These amounts have no prescribed terms and are therefore repayable on demand. Having made appropriate enquiries, the directors are confident that the funding from other group companies will continue to be provided throughout the going concern period. As there is no formal commitment from Jacobs Solutions Inc for these funds to be provided throughout the going concern period, this represents a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern. Based on the confidence of the directors that the funds would be provided whenever necessary, the financial statements continue to be prepared on a going concern basis. The financial statements do not include the adjustments that would be required if the company was unable to continue as a going concern.

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(continued)

1 PRINCIPAL ACCOUNTING POLICIES (continued)

(c) Use of critical estimates and judgements

The preparation of Financial Statements in conformity with FRS102 requires management to make certain estimates, judgements and assumptions. These estimates, judgements and assumptions can affect the reported amounts of assets and liabilities as of the date of the Financial Statements, as well as the reported amounts of revenue and expenses during the periods presented. Actual results could differ from our estimates. For further details on use of estimates and judgements, refer to each individual accounting policy. The Directors have made judgements in these Financial Statements against critical accounting policies, and in particular in respect of investment impairment.

(d) Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Gains or losses on translation are included in the profit and loss account.

(e) Basic financial instruments

Debtors / creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at cost plus attributable transaction costs. Subsequent to initial recognition, trade and other debtors are recognised at the amortised cost less any impairment provisions, with, trade and other creditors being measured at amortised cost.

Interest bearing borrowings classified as basic financial instruments

Interest bearing borrowings repayable on demand are recognised at the transaction value, with interest being charged to the profit and loss account.

(f) Investments

A subsidiary is an entity that is controlled by the parent. Control is established when the parent has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the company takes into consideration potential voting rights that are currently exercisable.

An associate is an entity in which the group has significant influence, but not control, over the operating and financial policies of the entity. Significant influence is presumed to exist when the investor holds between 20% and 50% of the equity voting rights.

Investments in subsidiaries and associates are carried at cost less impairment. Management determines the amount of the impairment based on their judgement in evaluating the financial performance and operations of those subsidiaries. In making these judgements an inherent level of uncertainty is involved.

(g) Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cashflows of that asset which can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss. The Directors exercise judgement in relation to the carrying value of each investment to ensure that it is supportable at each balance sheet date.

(h) Expenses

Interest receivable and interest payable

Interest receivable and similar income includes interest receivable on short term bank deposits; interest receivable on loans to related parties.

Interest payable and similar charges includes interest payable on loans from related parties.

Interest income and interest payable are recognised in profit or loss as they accrue.

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(continued)

1 PRINCIPAL ACCOUNTING POLICIES (continued)

(f) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax, including UK corporation tax and foreign tax, is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

There are no recognised or unrecognised deferred tax liabilities or deferred tax assets.

2 EXPENSES AND AUDITOR'S REMUNERATION

	<u>2022</u>	<u>2021</u>
	£	£
Included in Operating profit for the year are the following:		
Exchange loss/ (gains)	<u>142,291</u>	<u>(63,565)</u>

In both 2022 and 2021, auditor remuneration has been borne by an intermediate parent undertaking, Halcrow Group Limited.

The Company had no employees (2021: none).

The level of qualifying services of the Directors of the Company is considered to be incidental and negligible compared to the services provided to the group. There are no management charges to the Company from the parent company for these services. Consequently it is determined that the remuneration for such qualifying services is £nil (2021: £nil).

3 INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2022</u>	<u>2021</u>
	£	£
Interest receivable on:		
Loans to group undertakings	<u>38,808</u>	<u>24,360</u>
	<u>38,808</u>	<u>24,360</u>

4 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>2022</u>	<u>2021</u>
	£	£
Interest payable on:		
Loans from group undertakings	<u>429,834</u>	<u>289,888</u>
	<u>429,834</u>	<u>289,888</u>

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(continued)

5 TAX ON LOSS ON ORDINARY ACTIVITIES

	<u>2022</u>	<u>2021</u>
	£	£
UK corporation tax:		
UK corporation tax	(96,551)	(39,300)
Adjustment in respect of prior years	<u>56,872</u>	<u>(71,206)</u>
Total current tax	(39,679)	(110,506)
Deferred Tax:		
Adjustment in respect of prior years	(56,872)	66,668
Changes in rate	(17,960)	-
Deferred tax not recognised	<u>74,832</u>	<u>-</u>
Total deferred tax	-	66,668
Total tax credit for the year	<u>(39,679)</u>	<u>(43,838)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2021: 19%). The actual tax charge for the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation.

	<u>2022</u>	<u>2021</u>
	£	£
Loss on activities before tax	<u>(286,296)</u>	<u>(2,310,415)</u>
Tax on loss on ordinary activities at standard rate	(54,396)	(438,979)
Factors affecting charge for the period:		
Expenses not deductible for tax purposes	10,499	399,679
Non-taxable income	(52,653)	-
Deferred tax not recognised	74,831	-
Adjustment in respect of prior years	-	(4,538)
Change in rate	<u>(17,960)</u>	<u>-</u>
Total tax charge for period	<u>(39,679)</u>	<u>(43,838)</u>

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. The Finance Bill 2021 was substantively enacted on 24 May 2021.

The company has non-trading deficit losses of £510,347 and management expense losses of £33,864 as at 30 September 2022 (2021: £212,891 and £31,995) on which a deferred tax asset has not been recognised.

Deferred Tax

	<u>2022</u>	<u>2021</u>
	£	£
Deferred Tax Asset		
Deferred Tax asset recognised	-	66,668
Credited/ (charged) through the Income Statement	56,872	(66,668)
Impact of rate change	17,960	-
Deferred tax not recognised	<u>(74,832)</u>	<u>-</u>
Disclosed on the Balance Sheet	<u>-</u>	<u>-</u>

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
 (continued)

6 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

Shares in subsidiary undertakings	£
Cost	
At 02 October 2021 and 30 September 2022	23,417,519
Provisions	
At 02 October 2021 and 30 September 2022	23,309,941
Net book value	
At 30 September 2022	107,578
At 02 October 2021	107,578

None of the investments included in above amounts is listed on a recognised investment exchange. Subsidiary undertakings are listed in note 12 of the Financial Statements.

7 INVESTMENTS IN ASSOCIATED UNDERTAKINGS

Associated Undertakings:	£
Cost less impairment provisions	
At 02 October 2021 and 30 September 2022	841,127
Provisions	
At 02 October 2021 and 30 September 2022	841,127
Net book value	
At 30 September 2022	-
At 02 October 2021	-

8 DEBTORS

Amounts falling due within one year

	<u>2022</u>	<u>2021</u>
	£	£
Corporation tax	135,851	95,172
Amounts owed by group undertakings	1,279,373	1,301,840
	<u>1,415,224</u>	<u>1,398,012</u>

9 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2022</u>	<u>2021</u>
	£	£
Amounts owed to group undertakings	22,742,448	21,949,752
Accruals and deferred income	3,190	3,252
	<u>22,745,638</u>	<u>21,953,004</u>

Amounts owed to group undertakings are unsecured and consist of interest and non-interest bearing balances.

10 SHARE CAPITAL

	<u>2022</u>	<u>2021</u>
	£	£
Authorised, called-up and fully paid:		
16,932,917 (2021: 16,932,917) ordinary shares of £1 each	<u>16,932,917</u>	<u>16,932,917</u>

11 RELATED PARTY TRANSACTIONS

In accordance with section 33.1A of FRS 102, 'Related Party Disclosures', transactions with other group undertakings within the Jacobs Solutions Inc. Group have not been disclosed in these Financial Statements.

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(continued)

12 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS

	Percentage owned	Country of registration	Principal country/ area of operation	Address
Subsidiary undertakings:				
Halcrow Canada Inc *	100%	Canada	North America	245 Consumers Avenue, Suite 400, Toronto ON M2J 1R3, Canada
Yolles Partnership Inc * (1)	100%	Canada	North America	245 Consumers Avenue, Suite 400, Toronto ON M2J 1R3, Canada
Halcrow Consultants Sdn Bhd	100%	Malaysia	East Asia	Suite 3 - 3, Level 3, Lobby B, UOA Corporate Tower, Avenue 10, The Vertical, Bangsar South City, No. 8, 59200 Jalan Kerinchi, Kuala Lumpur, Malaysia
Halcrow (Thailand) Limited **	100%	Thailand	East Asia	173/14,15,17 Asia Centre Building, 16th Floor, South Sathorn Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok, 10120, Thailand
Halcrow Group (Thailand) Limited **	100%	Thailand	East Asia	173/14,15,17 Asia Centre Building, 16th Floor, South Sathorn Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok, 10120, Thailand
Asia Halcrow Inc	100%	Philippines	East Asia	14th Floor Marco Polo, Ortigas Manila Sapphire Road, Ortigas Centre, Pasig City, 1600, Philippines
CH2M Services Sdn Bhd	100%	Malaysia	East Asia	Suite 3 - 3, Level 3, Lobby B, UOA Corporate Tower, Avenue 10, The Vertical, Bangsar South City, No. 8, 59200 Jalan Kerinchi, Kuala Lumpur, Malaysia
Halcrow (Consulting Engineers & Architects) Limited	100%	England	Middle East	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom
Halcrow Asia Limited	100%	England	East Asia	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom
Halcrow Asia Partnership Limited	100%	England	East Asia	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom
Halcrow Bangladesh Limited	100%	Bangladesh	South Asia	Hous No.7, Road No.18, Block A, Banani, Dhaka-1213, Bangladesh
Halcrow Canada Limited	100%	England	Great Britain	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(continued)

12 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS (Continued)

	Percentage owned	Country of registration	Principal country/ area of operation	Address
Halcrow China Limited	100%	Hong Kong	East Asia	Room 2709-2718, Level 27, Tower 1, Millennium City 1, No. 388 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong
Halcrow Consulting (Shenzhen) Co. Limited*	100%	China	East Asia	Room 2505, 25/F, The Securities Building, NO. 5020, Bin He Road, Futian District, Shenzhen, 518033, China
Halcrow Consulting India Private Limited	63%	India	South Asia	R-27, 2nd Floor, Pratap Market, Jangpura -B, New Delhi, 110014, India
Halcrow Energy Limited	100%	Cyprus	Middle East	75 Prodromou Avenue, Oneworld Parkview House, 4th Floors, Nicosia, P.C.2063, Cyprus
Halcrow Environmental Consulting Co. Limited	100%	Thailand	East Asia	173/14, 15, 17 Asia Centre Building, 16th Floor, South Sathorn Road, Khwaeng Thungmahamek, Khut Sathorn, Bangkok, 10120, Thailand
Halcrow Group (Trinidad & Tobago) Limited	100%	Trinidad & Tobago	Trinidad & Tobago	PO Box 1543, 18 Scott Bushe Street, Port of Spain, Trinidad and Tobago
Halcrow Group Ireland Limited	100%	Republic of Ireland	Europe	St John's House, High Street, Tallaght, Dublin 24, Ireland, Ireland
Halcrow Middle East LLC	100%	Oman	Middle East	PO Box 360, Dubai, United Arab Emirates
Halcrow Pacific Pty Limited	100%	Australia	Australia	c/o Norton Rose Fulbright, Level 16 Grosvenor Place, 225 George Street, Sydney NSW 2000, Australia
Halcrow Romania SRL	100%	Romania	Europe	85 Carol Davila, Floor2, room A, Bucharest, Romania
Transmark Asia Limited	100%	England	East Asia	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom

HALCROW INTERNATIONAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
(continued)

12 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS (Continued)

	Percentage owned	Country of registration	Principal country/ area of operation	Address
Associates:				
Semper Consultants Inc	40%	Philippines	East Asia	8/F Salustiana Ty Tower, 104 Paseo de Roxas, Legaspi Village, Makati City, Philippines

All holdings are of ordinary shares.

(1) Dissolved on 16 March 2021

* indicates that all shares are held by an intermediate Holding Company.

** indicates that the shares are partially held by an intermediate Holding Company.

The principal activity of all the above undertakings is the supply of services as consulting engineers.

13 CONTINGENT LIABILITIES

The Company has no contingent liabilities.

14 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Halcrow Consulting Limited, a company incorporated in England & Wales. The ultimate parent undertaking effective from 29 August 2022 is Jacobs Solutions Inc., a new holding company which became the new parent company of Jacobs Engineering Group Inc., the former ultimate parent undertaking.

Both companies are incorporated in the state of Delaware in the United States of America. The smallest and largest group in which the results of this Company are consolidated is Jacobs Solutions Inc. Copies of the consolidated accounts of Jacobs Solutions Inc. may be obtained from www.jacobs.com. The postal address is 1999 Bryan Street, Suite 1200, Dallas, TX 75201, United States.