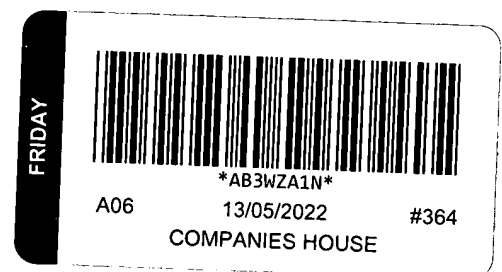


CH2M HILL EUROPE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

REGISTERED NUMBER: 07262036



CH2M HILL EUROPE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

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CH2M HILL EUROPE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

Corporate Information

Directors	D Morrison S Miles
Secretary	T Chaudhary
Registered Office	Cottons Centre Cottons Lane London SE1 2QG
Registered number of incorporation	07262036
Bankers	Bank of America 2 King Edward Street London EC1A 1HQ
Auditors	Ernst & Young LLP G1 5 George Square Glasgow G2 1DY

CH2M HILL EUROPE LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 01 OCTOBER 2021

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

Our Business

CH2M Hill Europe 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 ultimate parent undertaking is Jacobs Engineering Group Inc., a company incorporated in the United States of America. The results of this Company have been consolidated by Jacobs Engineering Group Inc. as at 01 October 2021 and the copies of consolidated Financial Statements are available on the Group's website www.jacobs.com. The postal address is 1999 Bryan Street, Suite 1200, Dallas, TX 75201, United States.

Principal Risks and Uncertainties Related to Our Business

Investment risk - as the Company is primarily a holding company for investments in the Jacobs Group, the principal risks and uncertainties affecting the company are those relevant to those companies in which the investments have been made, impacting the carrying value of those investments. The principal risks and uncertainties identified are delivery risk, market risk, and credit risk. Management monitors for evidence of the impact of such risks 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 amount outstanding.

Business Review and Outlook

The Company made a loss on ordinary activities after taxation of £197k in the year (2020: loss of £499k). 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.

CH2M HILL EUROPE LIMITED
STRATEGIC REPORT
FOR THE YEAR ENDED 01 OCTOBER 2021
(continued)

Economic disruption caused by Covid

On 11 March 2020, the World Health Organization made an assessment that the outbreak of a coronavirus (COVID - 19) was to be characterised as a pandemic. As a result, businesses in general have subsequently seen reduced volumes and, where governments mandated, temporary suspension of travel and closure of commercial establishments.

To alleviate the negative impact of the COVID-19 pandemic, the British Government and other independent jurisdictions and regulators have taken measures and issued directives to support businesses and the UK economy at large, including extensions of deadlines, facilitating continued business through social-distancing and easing pressure on credit and liquidity.

Specific to Jacobs, the Group has enacted several initiatives in response to the pandemic, which included making use of government support schemes including the furlough scheme and deferred VAT scheme. The company has now substantially returned all its staff from furlough and has repaid in full the VAT deferred in FY20. In addition, in the UK and globally Jacobs continues to review its property base with respect to the future of work and reduction in its office space footprint; the Group has also continued to apply its travel policy of reducing travel to a minimum.

Approved by the
Board and signed
on its behalf by:



S Miles
Director
Date 10/05/2022

CH2M HILL EUROPE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 01 OCTOBER 2021

The Directors present their report on the affairs of the Company, together with the audited Financial Statements for the year ended 01 October 2021.

Principal activity

The Company is an intermediate holding company to a group of companies carrying out engineering, construction, consulting, design, design-build, procurement, operations and maintenance, programme management and technical services to national governments, as well as private sector clients throughout the world.

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.

Change of Accounting Period

The accounting period was changed in the prior period. These financial statements cover the year to 01 October 2021. The comparative figures for the Statement of Income and Retained Earnings and the related notes are for the nine month period from 1 January 2020 to 02 October 2020.

Future developments

Refer to the strategic report.

Going concern

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 through to 31 May 2023.

Whilst there has been a prolonged period of economic uncertainty due to the Coronavirus (COVID19) pandemic, the Company has not been adversely affected. The company does not trade and at 01 October 2021 had net liabilities of £11,931k, arising from amounts owed to group companies.

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 JEG 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.

Dividend

The Directors are unable to recommend a dividend payment in respect of the year ended 01 October 2021 (2020: Nil).

Share capital

The ordinary share capital of the Company at 01 October 2021 was held beneficially as follows:

CH2M Hill Holdings Limited
3 ordinary shares (100%)

CH2M HILL EUROPE LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 01 OCTOBER 2021
(continued)

Directors

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

D J Coultas (resigned on 9 December 2020)
G Douglas (resigned 11 August 2021)
D Morrison (appointed 30 November 2020)
J R Shattock (resigned 30 November 2020)
S Miles (appointed on 11 August 2021)

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.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

Approved by the Board and signed
on its behalf by:



S Miles
Director
Date 10/05/2022

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

Registered Number:
07262036

CH2M HILL EUROPE LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 01 OCTOBER 2021

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
CH2M HILL EUROPE LIMITED

Opinion

We have audited the financial statements of CH2M Hill Europe Limited for the year ended 1 October 2021 which comprise Profit and Loss account, Balance Sheet, Statement of Changes in Equity, and related notes 1 to 12, 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 In our opinion, the Financial Statements:

- give a true and fair view of the Company's affairs as at 01 October 2021 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

In forming our opinion on the financial statements, we have considered the adequacy of the disclosures made in Note 1(b) to the financial statements concerning the company's ability to continue as a going concern. 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. These conditions, along with the other matters explained in Note 1(b) to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company'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 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.

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CH2M HILL EUROPE LIMITED**

(continued)

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 and 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 5, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
CH2M HILL EUROPE LIMITED

(continued)

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

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

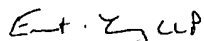
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not 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.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are The Companies Act 2006 and those that relate to the reporting framework (FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland") and the relevant tax compliance regulations in the jurisdiction in which the company operates. In addition, we concluded that there are certain significant laws and regulations relating to health and safety, environmental matters and bribery and corruption practices;
- We understood how CH2M Hill Europe Limited is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and correspondence received from regulatory bodies and noted there was no contradictory indicators;
- We assessed the susceptibility of the company 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 non-compliance with such laws and regulations. Our procedures included review of 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.



Nick Gomer (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

Edinburgh
10 May 2022

CH2M HILL EUROPE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 01 OCTOBER 2021

	Notes	<u>12 months to 01</u> <u>October 2021</u> £'000	<u>9 months to 02</u> <u>October 2020</u> £'000
Administrative income / (expenses)		<u>129</u>	<u>(169)</u>
Operating profit / (loss)	2	129	(169)
Interest payable and similar charges	3	<u>(533)</u>	<u>(465)</u>
Loss on ordinary activities before taxation		(404)	(634)
Tax on loss on ordinary activities	4	<u>207</u>	<u>135</u>
Loss for the financial year		<u><u>(197)</u></u>	<u><u>(499)</u></u>

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

The Company has no recognised gains and losses other than those shown above and therefore no separate statement of other comprehensive income has been presented.


Notes on pages 12 - 22 form part of these Financial Statements.

CH2M HILL EUROPE LIMITED
BALANCE SHEET AS AT 01 OCTOBER 2021

	Notes	<u>As at 01</u> <u>October 2021</u> £'000	<u>As at 02</u> <u>October 2020</u> £'000
Fixed assets			
Investments in Subsidiaries	5	<u>16,157</u>	<u>16,157</u>
		<u>16,157</u>	<u>16,157</u>
Current assets			
Debtors: amounts falling due within one year	6	301	121
Deferred tax	4	-	134
Cash at bank and in hand		<u>134</u>	<u>135</u>
		435	390
Current liabilities			
Creditors: amounts falling due within one year	7	<u>(28,523)</u>	<u>(28,281)</u>
Net current liabilities		<u>(28,088)</u>	<u>(27,892)</u>
Net liabilities		<u>(11,931)</u>	<u>(11,734)</u>
Capital and reserves			
Called up share capital	8	-	-
Share premium	8	110,624	110,624
Capital contribution reserve	8	28,000	28,000
Profit and loss account		<u>(150,555)</u>	<u>(150,358)</u>
Equity shareholder's deficit		<u>(11,931)</u>	<u>(11,734)</u>

Notes on pages 12 - 22 form part of these Financial Statements.

The Financial Statements for CH2M HILL Europe Limited, registered number 07262036, were approved by the board of Directors and authorised for issue on . They were signed on its behalf by:



S Miles
Director
Date 10/05/2022

CH2M HILL EUROPE LIMITED
STATEMENT OF CHANGES IN EQUITY AS AT 01 OCTOBER 2021

	Share Capital	Share premium	Capital contribution reserve	Profit and loss account	Total equity
	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2020	-	110,624	28,000	(149,859)	(11,235)
Movements in the period	-	-	-	(499)	(499)
Total comprehensive loss for the period	-	-	-	(499)	(499)
Balance at 02 October 2020 and at 03 October 2020	-	110,624	28,000	(150,358)	(11,734)
Movements in the year	-	-	-	(197)	(197)
Total comprehensive loss for the year	-	-	-	(197)	(197)
Balance at 01 October 2021	-	110,624	28,000	(150,555)	(11,931)

Notes on pages 12 - 22 form part of these Financial Statements.

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

1 PRINCIPAL ACCOUNTING POLICIES

Basis of accounting

CH2M Hill Europe Limited is a private limited Company 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"). The presentational currency of these Financial Statements is Sterling, which is also the functional currency of the Company. All amounts in the Financial Statements have been rounded to the nearest £1,000.

The accounting period was changed in the prior period. These financial statements cover the year to 01 October 2020. The comparative figures for the Statement of Income and Retained Earnings and the related notes are for the nine month period from 1 January 2020 to 02 October 2020.

As permitted by Section 400 of the Companies Act, Consolidated Financial Statements have not been prepared as the Company is itself a wholly owned subsidiary of Jacobs Engineering Group Inc. a company incorporated in the US, which prepares Consolidated Financial Statements, which include the Company. These Financial Statements present information about 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. and these Financial Statements can be obtained from www.Jacobs.com. The following exemptions available under FRS 102 in respect of certain disclosures in 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 Jacobs group are not disclosed

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

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 through to 31 May 2023.

Whilst there has been a prolonged period of economic uncertainty due to the Coronavirus (COVID19) pandemic, the Company has not been adversely affected. The company does not trade and at 02 October 2020 had net liabilities £11,931k, arising from amounts owed to group companies.

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 JEG 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.

(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 these 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 investment impairment.

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

(continued)

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(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

Trade and other 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.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits, together with bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

(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.

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

(g) Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at a constant rate on the carrying amount.

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

(h) 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. When a subsequent event causes the amount of the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

(continued)

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(h) Impairment (continued)

Non financial assets

The carrying amounts of the Company's non financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. 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.

(i) Expenses

Interest payable

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

Interest payable is recognised in profit or loss on accrual basis.

(j) 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.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements. The following timing differences are not provided for:

- differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 OPERATING (LOSS) / PROFIT

	<u>12 months to 01</u> <u>October 2021</u> £'000	<u>9 months to 02</u> <u>October 2020</u> £'000
Included in operating loss for the year are the following:		
Foreign exchange gains	<u>2,740</u>	<u>3,067</u>

In both 2021 and 2020, auditor remuneration was borne by a fellow group undertaking, CH2M Hill United Kingdom.

The Company had no employees (2020: 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 (2020: £nil).

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

(continued)

3 INTEREST PAYABLE AND SIMILAR CHARGES

	<u>12 months to 01</u> <u>October 2021</u> £'000	<u>9 months to 02</u> <u>October 2020</u> £'000
Interest payable on:		
Loans from related parties	<u>533</u>	<u>465</u>

4 TAX ON LOSS ON ORDINARY ACTIVITIES

	<u>12 months to 01</u> <u>October 2021</u> £'000	<u>9 months to 02</u> <u>October 2020</u> £'000
UK corporation tax on profits for the period	(72)	(121)
Adjustments in respect of previous periods	<u>(269)</u>	<u>-</u>
Total current tax	<u>(341)</u>	<u>(121)</u>
Deferred tax:		
Adjustments in respect of previous periods	134	-
Change in rate	<u>-</u>	<u>(14)</u>
Total deferred tax	<u>134</u>	<u>(14)</u>
Total tax credit for the year	<u>(207)</u>	<u>(135)</u>

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2020: 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>12 months to 01</u> <u>October 2021</u> £'000	<u>9 months to 02</u> <u>October 2020</u> £'000
Loss on activities before tax	<u>(404)</u>	<u>(634)</u>
Tax on loss on ordinary activities at standard rate	(77)	(121)
Factors affecting charge for the year:		
Expenses not deductible for tax purposes	5	-
Adjustment in respect of prior periods	(135)	-
Deferred tax rate change	<u>-</u>	<u>(14)</u>
Total tax credit for the year	<u>(207)</u>	<u>(135)</u>

The main UK corporation tax rate reduced from 20% to the current rate of 19% on 1 April 2017. The Finance Act 2016 includes legislation which will reduce the tax rate further to 17% from 1 April 2020. Following the budget resolution on 17 March 2020, the main UK corporation tax rate will remain at 19% from 1 April 2020 (cancelling the enacted cut to 17%). This was incorporated in the Finance Act 2020 which received Royal Assent on 22nd July 2020.

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. These changes received Royal Assent on 10 June 2021.

The company has non-trading deficit losses of £232k and management expense losses of £2k as at 01 October 2021 (2020: £941k and £6k) on which a deferred tax asset has not been recognised.

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

(continued)

4 TAX ON LOSS ON ORDINARY ACTIVITIES

Deferred Tax	As at 01 October 2021 £'000	As at 02 October 2020 £'000
Deferred Tax Asset		
Deferred Tax asset recognised	134	120
Charged through the Income Statement	(134)	-
Impact of rate change	-	14
Disclosed on the Balance Sheet	-	134
Deferred tax relates to the following:		
Deferred Tax Asset		
Other timing differences	-	134
Disclosed on the Balance Sheet	-	134

5 INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	As at 01 October 2021 £'000	As at 02 October 2020 £'000
Cost		
At 03 October 2020 and at 01 October 2021	160,281	160,281
Provisions		
At 03 October 2020 and at 01 October 2021	144,124	144,124
Net book value		
At 03 October 2020 and at 01 October 2021	16,157	16,157

None of the investments included in the amounts above are listed on a recognised investment exchange.

Subsidiary undertakings are listed in note 10 to the Financial Statements.

6 DEBTORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 01 October 2021 £'000	As at 02 October 2020 £'000
United Kingdom corporation tax	192	90
Amounts owed by group undertakings	109	31
	301	121

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

(continued)

7 CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>As at 01</u> <u>October 2021</u> £'000	<u>As at 02</u> <u>October 2020</u> £'000
Amounts owed to group undertakings	<u>28,523</u>	<u>28,281</u>
	<u>28,523</u>	<u>28,281</u>

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

8 EQUITY AND SHARE CAPITAL

	<u>As at 01</u> <u>October 2021</u> £	<u>As at 02</u> <u>October 2020</u> £
Allocated, called-up, and, fully paid Authorised Share Capital:		
Ordinary shares of £1 each	<u>3</u>	<u>3</u>

SHARE PREMIUM

	<u>As at 01</u> <u>October 2021</u> £'000	<u>As at 02</u> <u>October 2020</u> £'000
At 03 October 2020 and at 01 October 2021	<u>110,624</u>	<u>110,624</u>

The share premium reserve records the amount above the nominal value received for shares sold.

CAPITAL CONTRIBUTION RESERVE

	<u>As at 01</u> <u>October 2021</u> £'000	<u>As at 02</u> <u>October 2020</u> £'000
At 02 October 2020 and 01 October 2021	<u>28,000</u>	<u>28,000</u>

The capital contribution reserve records the amount received as a contribution to the equity capital of the company but is not made in exchange for shares issued.

9 RELATED PARTY TRANSACTIONS

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

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

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10 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS AND JOINT VENTURES

Subsidiary undertakings:-	Percentage owned	Country of registration	Address	Principal country/ area of operation
Asia Halcrow Inc	100%	Philippines	14th Floor Marco Polo, Ortigas Manila Sapphire Road, Ortigas Centre, Pasig City, 1600, Philippines	East Asia
Burderop Investments Limited (1)	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom	Great Britain
Crouch Hogg Waterman Limited (2)	100%	Scotland, Great Britain	City Park 386 Alexandra Parade, Glasgow, G31 3AU	Great Britain
CH2M HILL GmbH	100%	Germany	Luxemburger Str. 1-3, 67657 - Kaiserslautern	Germany
CH2M HILL LLC	100%	Russia	Leningradskiy Prospekt 47, Bldg. 3, Floor 2, 125167, Moscow, Russian Federation	Russia
CH2M HILL United Kingdom *	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
CH2M Polska Services Sp Zoo *	100%	Poland	Ul. Marii Konopnickiej 31, 30-302, Kraków, Lesser Poland Voivodeship, Poland	Poland
CH2M Services Sdn Bhd	100%	Malaysia	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	East Asia
Halcrow (Consulting Engineers & Architects) Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Middle East
Halcrow (Thailand) Limited	100%	Thailand	173/14, 15, 17 Asia Centre Building, 16th Floor, South Sathorn Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok, 10120, Thailand	East Asia
Halcrow Consultants Sdn Bhd	100%	Malaysia	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	East Asia
Halcrow Asia Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	East Asia

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

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10 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS AND JOINT VENTURES (continued)

	<i>Percentage owned</i>	<i>Country of registration</i>	<i>Address</i>	<i>Principal country/ area of operation</i>
Halcrow Asia Partnership Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	East Asia
Halcrow Canada Inc	100%	Canada	245 Consumers Avenue, Suite 400, Toronto ON M2J 1R3, Canada	North America
Halcrow Canada Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Halcrow China Limited	100%	Hong Kong	Room 2709-2718, Level 27, Tower 1, Millennium City 1, No. 388 Kwun Tong Road, Kwun Tong, Kowloon, Hong Kong	East Asia
Halcrow Consulting (Shenzhen) Co. Limited	100%	China	Room 2505, 25/F, The Securities Building, NO. 5020, Bin He Road, Futian District, Shenzhen, 518033, China	East Asia
Halcrow Consulting India Private Limited	100%	India	R-27, 2nd Floor, Pratap Market, Jangpura -B, New Delhi, 110014, India	South Asia
Halcrow Consulting Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom	Great Britain
Halcrow Energy Limited	100%	Cyprus	75 Prodromou Avenue, Oneworld Parkview House, 4th Floors, Nicosia, P.C.2063, Cyprus	Middle East
Halcrow Environmental Consulting Co. Limited	100%	Thailand	173/14,15,17 Asia Centre Building, 16th Floor, South Sathorn Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok, 10120, Thailand	East Asia
Halcrow Group (Thailand) Limited	100%	Thailand	173/14,15,17 Asia Centre Building, 16th Floor, South Sathorn Road, Khwaeng Thungmahamek, Khet Sathorn, Bangkok, 10120, Thailand	East Asia
Halcrow Group (Trinidad & Tobago) Limited	100%	Trinidad & Tobago	PO Box 1543, 18 Scott Bushe Street, Port of Spain, Trinidad and Tobago	Trinidad & Tobago
Halcrow Group Ireland Limited	100%	Republic of Ireland	St John's House, High Street, Tallaght, Dublin 24, Ireland, Ireland	Europe
Halcrow Group Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Worldwide
Halcrow Holdings Limited *	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Worldwide

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

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10 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS AND JOINT VENTURES (continued)

	<i>Percentage owned</i>	<i>Country of registration</i>	<i>Address</i>	<i>Principal country/ area of operation</i>
Halcrow International Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Halcrow Middle East LLC	100%	Oman	PO Box 360, Dubai, United Arab Emirates	Middle East
Halcrow Pacific Pty Limited	100%	Australia	c/o-Norton Rose Fullbright, Level 16 Grosvenor Place, 225 George Street, Sydney NSW 2000, Australia	Australia
Halcrow Romania SRL	100%	Romania	85 Carol Davila, Floor2, room A, Bucharest, Romania	Europe
Halcrow Water Services Limited (1)	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Halcrow Staff and Services Limited * (2)	100%	England & Wales	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom	Great Britain
Halcrow Rail Approvals Limited (2)	100%	England & Wales	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom	Great Britain
Sir William Halcrow & Partners Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Latin America
Transmark Asia Limited	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	East Asia
Yolles Partnership Inc	100%	Canada	245 Consumers Avenue, Suite 400, Toronto ON M2J 1R3, Canada	North America
Yolles Partnership Limited (1)	100%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Other Investments:-				
Semper Consultants Inc	40%	Philippines	8/F Salustiana Ty Tower, 104 Paseo de Roxas, Legaspi Village, Makati City, Philippines	East Asia

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NOTES TO THE FINANCIAL STATEMENTS
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10 SUBSIDIARY AND ASSOCIATED UNDERTAKINGS AND JOINT VENTURES (continued)

	Percentage owned	Country of registration	Address	Principal country/ area of operation
Joint arrangements:-				
Arcadis-CH2M Joint Venture	50%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Atkins-CH2M Joint Venture	50%	England	Woodcote Grove, Ashley, Road, Epsom, Surrey, KT18 5BW	Great Britain
Atkins-CH2M SPATS Joint Venture	50%	England	Woodcote Grove, Ashley, Road, Epsom, Surrey, KT18 5BW	Great Britain
C2V+	50%	England	Birchwood Business Park, Building 304 Bridgewater Place, 2nd Floor Suite, Warrington, WA3 6XG	Great Britain
CHC HIGHWAYS – Area 14 M&R	50%	England	CHC JV, Valley House, Valley Street North, Darlington, DL1 1TJ	Great Britain
CMP	33%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Consortia Halcrow Sinergia Setepla	22%	Brazil	Rua Ajuda, 35 2701 CENTRO RIO DE JANEIRO - RJ 20040-000	Latin America
Costain-CH2M Joint Venture	50%	England	East Sussex Highways Depot, The Broyle, Ringmer, East Sussex, BN8 5NP	Great Britain
EDP	50%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
LTC-Cascade	40%	England	Cottons Centre, Cottons Lane, London, SE1 2QG	Great Britain
Transcend Partners Limited	40%	England	Cottons Centre, Cottons Lane, London, SE1 2QG, United Kingdom	Great Britain

All holdings are of ordinary shares.

* indicates investments are directly held by the Company.

(1) Company was dissolved on 16 March 2021

(2) Company was dissolved on 5 January 2021

Other Investments and Joint Arrangements are indirectly held by the Company through its Subsidiaries.

The principal activity of all the above undertakings is the supply of services as consulting engineers, except for Burderop Investments Limited whose principal activity is property investment.

CH2M HILL EUROPE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 01 OCTOBER 2021

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11 CONTINGENT LIABILITIES

The Company has no contingent liabilities.

12 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is CH2M Hill Holdings Limited, a company incorporated in England & Wales. The ultimate parent undertaking is Jacobs Engineering Group Inc. a Company incorporated in the United States of America. The smallest and largest group in which the results of this Company are consolidated is Jacobs Engineering Group Inc. Copies of the consolidated accounts of Jacobs Engineering Group Inc. may be obtained from www.jacobs.com. The postal address is 1999 Bryan Street, Suite 1200, Dallas, TX 75201, United States.