

Company Registered No. 02397024 (England and Wales)

Cougar Automation Limited

**Annual Report and Financial Statements
For the year ended
31 December 2020**



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Company information

Directors

Mr. S Van Der Vord
Mr. R Ziyat

Independent auditors

Constantin
25 Hosier Lane,
London
EC1A 9LQ

Registered Office

Wellington Gate
Silverthorne Way
Waterlooville
Hampshire
PO7 7XY

Company number

02397024

Strategic report

The directors present the strategic report for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of developing and installing turnkey industrial control and automation systems.

Business review

The directors can report a turnover for 2020 of £9,051,000 (2019: £11,523,000) and operating profit of £498,000 (2019: £956,000) which is 5.50% of turnover (2019: 8.30%). The directors are satisfied with the 2020 performance given the difficult trading conditions resulting from the Covid-19 pandemic.

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of Vinci SA, which include those of the company, are discussed in the group's annual report which does not form part of this report.

Capitalise on the knowhow and the offers available throughout the Vinci Energies group

The commitment of our employees, their awareness of customer needs coupled with our project management approach has helped further improve our quality of service.

By joining forces with the wider Vinci Energies group and sharing complementary expertise, this enables us to support our clients with the highest quality and global value-added solutions. This network approach along with the brands that exist throughout the Vinci Energies group allows us to leverage the strength of the group for the benefit of our clients.

Specialised by sector of activity and customer process

Our teams continue to build specialist knowledge and expertise to enable us to increasingly provide high content and solutions tailored to our customer's process.

Development of our people

Investment in our people is the best investment we can make. We are proud to have continued our active scheme for young engineers and apprentices to provide the training and skills development for the next generation of engineers and skilled workers. Fully supported by our VINCI Energies Academy in the UK, our training policy is a powerful tool for ensuring that our skills and expertise are continually adapting to on-going changes in technology. We remain committed to our training programme.

Improve safety

Safety is a number one priority. We are committed to our "zero lost days" target and continue to involve all employees through training, safety day initiatives, identification of dangerous situations, competitions and sharing of best practice as well as regular audit procedures and external assessments.

Looking Forward

Whilst the COVID-19 pandemic is still in effect, the lessons learned during 2020, and the new measures and ways of working that were introduced, means that the company is in a much better position than at the start of the pandemic. There is a significant level of investment in ongoing tendering activity and the expectation is to secure a more normal level of activity during 2021.

We must keep close to our customers to understand and then support them in their investment plans. By focussing on our strengths and within our key market segments, coupled with the on-going commitment and professionalism of our teams we are well placed to exploit the opportunities and overcome challenges that lie ahead.

Strategic report (continued)

Key performance indicators

For the year ended 31 December 2020, the company has made a profit before tax of £493,000 (2019: £953,000).

The directors of Vinci SA manage the group's operations on a divisional basis. For this reason, the company's directors believe that further analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of the company.

Financial risk management objectives and policies

The company's activities expose it to financial risks, including, credit risk, cash flow risk and liquidity risk. The use of derivatives is governed by the company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The company has not used derivative financial instruments in the current or prior year.

Cash flow risk

The company conducts a very low volume of transactions in foreign currency, as such the financial risks are considered to be small, and as a result, the company does not use foreign exchange forward contracts or interest swap contracts to hedge these exposures. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The company's principal financial assets are cash plus bank balances and trade and other receivables.

The company's credit risk is primarily attributable to its trade receivables. 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.

The credit risk on liquid funds is limited due to the fact that the counterparties are banks with high credit ratings assigned by international credit rating agencies. The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers

Liquidity risk

As the company is party to a centralised cash management agreement in place with the Belgian company VINCI Finance International, liquidity risk is of a minimal nature.

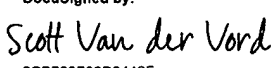
Supplier payment policy

It is the policy of the company that appropriate terms and conditions are agreed for its transactions with suppliers (by means ranging from standard written terms to individually negotiated contracts) and that payment should be made in accordance with those terms and conditions, provided that the supplier has also complied with them.

Going Concern

The Company is financed by bank facilities accessed through a group cash pooling arrangement operated by Vinci Finance International, a fellow subsidiary undertaking of Vinci SA. The company has continued to perform well during the current year despite the impacts of Covid 19, remaining profitable and generating operating cashflows during this period. The Company's forecasts and projections, taking account of reasonably possible changes in performance, including the potential downside scenarios of Covid, show that the Company is able to meet its liabilities as they fall due. The Directors have confirmed that the group cash pool facilities will be in place for a period of at least 12 months from the signing of these financial statements and that additional financing is available from the company's immediate parent undertaking, should it be required. The directors have reasonable expectations that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements

On behalf of the Board:

DocuSigned by:

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Mr. S Van Der Vord - Director
Date: 2nd December 2021

Directors' report

The directors present their Annual report and audited financial statements for the year ended 31 December 2020.

Directors

The following persons served as directors during the year:

Mr. R Ziyat
Mr. S Van Der Vord

Results and dividends

The results for the year are set out on page 12. The directors have not recommended payment of a final dividend for the year ended 31 December 2020 (2019 Nil).

Strategic report

Certain matters that are required to be disclosed in the Directors' Report under Schedule 7 of the Companies Act 2006 have instead been disclosed in the Strategic Report, as permitted by S.414C(11) of the Companies Act 2006.

Directors' responsibilities for preparing the financial statements

The directors are responsible for preparing the Strategic report, Directors' report and financial statements ("the Annual Report") in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Directors' report (continued)

Disclosure of information to auditors


Each person who was a director as the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent auditors

Constantin were appointed as auditors of the Company during the period and pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Constantin will therefore continue in office.

On behalf of the Board

DocuSigned by:

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Mr. S Van Der Vord - Director

Date: 2nd December 2021

Independent auditor's report to the members of Cougar Automation Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Cougar Automation Limited:

- give a true and fair view of the state of the company's affairs as at 31/12/2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

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

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

*Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020*

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in [the strategic report or] the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

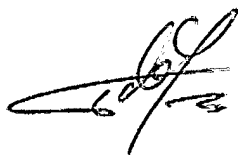
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law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

We have nothing to report in respect of these matters.

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.

Cougar Automation Limited
Financial Statements
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Thierry de Gennes, ACA (Senior statutory auditor)

For and on behalf of

Constantin
Statutory Auditor
25 Hosier Lane
London
EC1A 9LQ

Date: 2 December 2021

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

Statement of Comprehensive Income
For the year ended 31 December 2020

	<i>Note</i>	2020	2019
		£'000	£'000
Turnover	2	9,051	11,523
Cost of sales		(1,340)	(2,487)
		<hr/>	<hr/>
Gross profit		7,711	9,036
Administrative expenses		(7,504)	(8,091)
Other operating income		291	11
		<hr/>	<hr/>
Operating profit	3	498	956
Interest receivable and similar income		7	12
Interest payable and similar expenses		(12)	(15)
		<hr/>	<hr/>
Profit before taxation		493	953
Taxation	6	(64)	(191)
		<hr/>	<hr/>
Profit for the financial year		429	762
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the year		429	762
		<hr/> <hr/>	<hr/> <hr/>

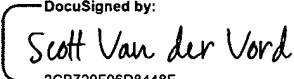
The profit and loss has been prepared on the basis that all operations are continuing operations.

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

**Statement of Financial Position
at 31 December 2020**

	<i>Note</i>	2020	2020	2019	2019
		£'000	£'000	£'000	£'000
Non current assets					
Tangible assets	<i>8</i>		124		149
Right of use assets	<i>13</i>		158		341
Current assets					
Debtors	<i>9</i>	2,385		3,138	
Deferred tax asset	<i>11</i>	31		62	
Cash at bank and in hand		2,890		1,593	
		<hr/>		<hr/>	
			5,306		4,793
Current liabilities					
Creditors: amounts falling due within one year	<i>10</i>	(2,359)		(2,372)	
		<hr/>		<hr/>	
			(2,359)		(2,372)
			<hr/>		<hr/>
Total assets less current liabilities			3,229		2,911
Non current liabilities					
Deferred tax liability	<i>11</i>	(30)		(58)	
Lease liabilities	<i>13</i>	(76)		(159)	
		<hr/>		<hr/>	
			(106)		(217)
			<hr/>		<hr/>
Net assets			3,123		2,694
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	<i>12</i>		1		1
Share premium account			195		195
Retained Earnings			2,927		2,498
			<hr/>		<hr/>
Total equity			3,123		2,694
			<hr/>		<hr/>

The financial statements on pages 12 to 29 were approved by the board of directors on 2nd December 2021 and signed on its behalf by:

DocuSigned by:

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Mr. S Van Der Vord - *Director*
Company registered number:02397024

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

Statement of Changes in Equity
For the year ended 31 December 2020

	Called up Share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2019	1	195	2,336	2,532
Year ended 31 December 2019				
Profit and total comprehensive income for the year	-	-	762	762
Dividends (<i>Note 7</i>)	-	-	(600)	(600)
Balance at 31 December 2019	1	195	2,498	2,694

	Called up Share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2020	1	195	2,498	2,694
Year ended 31 December 2020				
Profit and total comprehensive income for the year	-	-	429	429
Dividends (<i>Note 7</i>)	-	-	-	-
Balance at 31 December 2020	1	195	2,927	3,123

In the year ended December 2020 the dividend paid was Nil per share (2019: £754.72).

Notes

(forming part of the financial statements)

1 Accounting Policies

Cougar Automation Limited (the “Company”) is a Company incorporated and domiciled in the UK. The registered office is listed on page 3. The operations and principal activities of the Company are discussed in the Strategic Report.

These financial statements were prepared in accordance with Financial Reporting Standard 101 (“FRS 101”) and the requirements of the Companies Act 2006.

The Company’s ultimate parent undertaking as at 31 December 2020, Vinci SA includes the Company in its consolidated financial statements. The consolidated financial statements of Vinci SA are prepared in accordance with adopted IFRS and are available to the public and may be obtained from Vinci SA, 1 Cours Ferdinand de Lesseps, F-92851 Rueil-Malmaison Cedex, France.

In these financial statements, the Company has applied the following exemptions available under FRS 101:

- the requirement in paragraph 38 of IAS 1 ‘Presentation of Financial Statements’ to present comparative information in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
 - (iii) paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraph 45(b) and 46-52 of IFRS ‘Share based payments’;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose transactions with other wholly owned subsidiaries of the Vinci SA group; and
- Certain disclosure requirements of IFRS 15

As the consolidated financial statements of Vinci SA include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* by IFRS 7 Financial Instrument Disclosures and IAS 36 Impairment of Assets.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The comparatives represent the year ended 31 December 2019.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.10.

The Company’s functional currency is Sterling. The financial statements are presented in Sterling and all values are rounded to the nearest £’000.

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies *(continued)*

1.1 Turnover

Revenue relating to construction and service contracts is recognised in accordance with IFRS 15. In view of the company's main activities, the majority of construction and service contracts involve only one performance obligation which is fulfilled as contract execution progresses. Revenue is recognised over time and using a cost input basis which reflect the nature of the company's contract performance. To measure the progress towards completion of construction and service contracts, the company uses the cost-to-cost method. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

Contract amendments (relating to the price and/or scope of the contract) are recognised when approved by the client. Where amendments relate to new goods or services regarded as distinct under IFRS 15, and where the contract price increases by an amount reflecting "stand-alone selling prices" of the additional goods or services, those amendments are recognised as a distinct contract. The cost of winning the contract that would not have been incurred if the company had not won the contract is recognised as an asset where it is recoverable and amortised over the estimated contract term. At the company level, the cost of winning contracts, capitalised and amortised over a period of more than one year, is not material. The company's invoicing to customers is designed to match the profile of its costs and cashflows, where the invoicing profile does not match the pattern of revenue recognition this results in contract assets and liabilities.

1.2 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Computer hardware 3 years
- Office equipment 1 to 4 years
- Fixture & Fittings 10 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

Notes *(continued)*
(forming part of the financial statements)

1.3 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 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 temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

1.4 Going Concern

The company's business activities are set out in the Strategic report on pages 4 & 5. The financial position of the company is shown in the balance sheet on page 12.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1.6 Leases

The company leases various offices, equipment and vehicles. Rental contracts are typically made for fixed periods of 3 years to 5 years but may have extension options. Contracts may contain both lease and non-lease components. However, the company has elected not to separate lease and non-lease components and instead accounts for these as a single lease component

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Notes *(continued)*
(forming part of the financial statements)

1.6 Leases *(continued)*

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the Vinci group's incremental borrowing rate is used, being the rate that the group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the company re-values its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the company.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Notes *(continued)*
(forming part of the financial statements)

1.7 Contract assets and liabilities

The company's trade receivables represent the unconditional right to receive consideration ("a payment") when the goods or services promised to the customer in the contract have been transferred. However, where the right is dependent on the transfer of other goods or services and/or the completion of milestones or stages defined in the contract, the company regards the amount representing that "conditional" right as a contract asset. Contract assets related to the portion of performance obligations already fulfilled by the company and for which the definitive right to receive cash was subject to completing other work specified in the relevant contracts. Contract assets turn into receivables as works are received by the client, giving rise to the company's unconditional right to receive cash. Contract assets therefore represent a portion of future payments receivable by the company under existing contracts.

Amounts relating to any company obligation to transfer goods or services for which it has already received a payment, or for which the right to such payment is enforceable, are regarded as contract liabilities under IFRS 15. Within the company, contract assets correspond to invoices not yet raised. In accordance with IFRS 9, contract assets are analysed to assess any risk of non-recovery ("credit risk"). Contract liabilities mainly consist of advances received and prepaid income.

1.8 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument and are initially measured at fair value.

Loans and receivables are non-derivative financial assets (including Trade debtors) with fixed or determinable payments and are measured at amortised cost using the effective interest rate less any impairment. Financial assets are assessed for impairment at the end of each reporting period.

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements. Financial liabilities such as borrowings and trade and other payables are subsequently measured at amortised cost using the effective interest method.

1.9 Provisions

If the estimate of the final outcome of a contract indicates a loss, a provision is made for the loss on completion in accordance with IAS 37, regardless of progress towards completion, and based on the best estimates of income, including, if need be, any rights to additional revenue or claims, where it is regarded as highly probable and can be reliably estimated.

1.10 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Notes *(continued)*
(forming part of the financial statements)

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

Turnover – Following detailed quantification of the company’s contracts and the revenue derived from them, the directors are satisfied that revenue is recognised over time and is based on an input method being cost % completion. Total budgeted costs and costs to complete are estimated based on the directors’ experience of managing similar contracts and forecast costs and margins are monitored closely and updated regularly as required.

Useful economic lives of computer hardware and equipment – The annual depreciation charge for computer hardware and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 8 for the carrying amount of the computer hardware and equipment and note 1.2 for the useful economic lives for each class of assets.

Lease Accounting – The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the Vinci group’s incremental borrowing rate is used, being the rate that the company would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

1.11 Government Grants

Government grants are recognised on the accrual model. The grants monies receivable in the year relate to compensation for staff costs under the furlough scheme, already incurred and recognised as an expense in the profit and loss account.

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

Notes *(continued)*
(forming part of the financial statements)

2 Turnover

Revenue performance is reviewed at company and individual contract level and therefore no additional disaggregated revenue disclosures are provided.

	2020	2019
	£'000	£'000
By geographical market:		
UK & Eire	9,050	11,463
Europe	-	54
Asia	1	6
	<u>9,051</u>	<u>11,523</u>

3 Operating Profit

Included in operating profit are the following:

	2020	2019
	£'000	£'000
Depreciation of property, plant and equipment	65	63
Depreciation of right of use assets	183	210
Operating lease payments	-	4
<i>Auditors' remuneration:</i>	19	11
	<u>19</u>	<u>11</u>

Notes *(continued)*
(forming part of the financial statements)

4 Staff numbers and costs

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

Number of employees	
2020	2019
117	115
<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£'000	£'000
Wages and salaries	5,039	4,916
Social security costs	562	456
Expenses related to pension plans	234	369
	<u> </u>	<u> </u>
	<u>5,835</u>	<u>5,741</u>

Expenses related to pension plans are wholly in relation to defined contribution schemes.

During the year ended 31st December 2020, the company took advantage of the Furlough Scheme and claimed £259k.

5 Directors' remuneration

The directors are employed by other companies within the Vinci SA Group and are paid by those companies. The emoluments they receive in respect of their role as directors of this company are not disclosed in these financial statements as they have not rendered services to the company. No directors were members of the pension scheme in the year.

Cougar Automation Limited
Financial Statements
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Notes *(continued)*
(forming part of the financial statements)

6 Taxation

	2020	2020	2019	2019
	£'000	£'000	£'000	£'000
<i>UK corporation tax</i>				
Current tax on income for the year	101		188	
Adjustments in respect of prior periods	(40)		8	
	<hr/>		<hr/>	
Total current tax		61		196
<i>Deferred tax (see note 11)</i>				
Origination and reversal of temporary differences	3		(5)	
Adjustments in respect of prior periods	-		-	
	<hr/>		<hr/>	
Total deferred tax		3		(5)
		<hr/>		<hr/>
Tax on profit		64		191
		<hr/> <hr/>		<hr/> <hr/>

Reconciliation of effective tax rate

The tax assessed for the year is lower than (2019: higher than) the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£'000	£'000
Profit before taxation	493	953
	<hr/> <hr/>	<hr/> <hr/>
Profit before taxation using the applicable UK corporation tax rate of 19.00% (2019: 19.00%)	93	181
Non-deductible expenses	-	2
Capital allowances lower/(higher) than depreciation	11	-
Under provided in the prior year	(40)	8
Group losses available to company	-	-
	<hr/>	<hr/>
Total tax charge	64	191
	<hr/> <hr/>	<hr/> <hr/>

The tax reconciliation above reflects the UK corporation tax rate of 19% (effective from 1 April 2017).

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

Notes *(continued)*
(forming part of the financial statements)

7 Dividends

	2020	2019
	£'000	£'000
Interim dividends paid	-	600
	<u> </u>	<u> </u>

In 2020 the dividend paid was nil per share (2019: £754.72).

8 Tangible assets

	Computer Hardware £'000	Office Equipment £'000	Total £'000
Cost			
Balance at 1 January 2020	378	138	516
Additions	25	16	41
Disposals	(69)	(20)	(89)
	<u> </u>	<u> </u>	<u> </u>
Balance at 31 December 2020	334	134	468
	<u> </u>	<u> </u>	<u> </u>
Accumulated depreciation and impairment			
Balance at 1 January 2020	295	72	367
Depreciation charge for the year	50	14	64
Disposals	(68)	(19)	(87)
	<u> </u>	<u> </u>	<u> </u>
Balance at 31 December 2020	277	67	344
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2019	83	66	149
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	57	67	124
	<u> </u>	<u> </u>	<u> </u>

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

Notes *(continued)*
(forming part of the financial statements)

9 Debtors

	2020 £'000	2019 £'000
Trade debtors	652	784
Contract assets	1,631	2,271
Prepayments and accrued income	102	83
	<u>2,385</u>	<u>3,138</u>

The company has recognised impairment losses of £6k (2019: £3k) on trade debtors in the year. No impairment losses have been recognised on contract assets.

10 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	203	2
Amounts owed to group undertakings	1	-
Contract liabilities	1,053	798
Corporation tax	39	107
Other taxation and social security	212	443
Accruals and deferred income	768	838
Lease liabilities	83	184
	<u>2,359</u>	<u>2,372</u>

Revenue recognised in the year that was included in contract liability balance at 31 December amounts to £675k. (2019: £603k)

Cougar Automation Limited
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Notes *(continued)*
(forming part of the financial statements)

11 Deferred tax

Deferred tax assets

The balance comprises temporary differences attributable to:

	2020 £'000	2019 £'000
Property, plant and equipment	-	4
Right of use assets	31	58
	<u>31</u>	<u>62</u>

Movement in the year:	Fixed assets £'000	Leases £'000	Total £'000
Balance at 1 January 2020	4	58	62
Charged to statement of comprehensive income	(4)	(27)	(31)
	<u>-</u>	<u>31</u>	<u>31</u>
Balance at 31 December 2020	<u>-</u>	<u>31</u>	<u>31</u>

Deferred tax liabilities

The balance comprises temporary differences attributable to:

	2020 £'000	2019 £'000
Property, plant and equipment	-	-
Lease liabilities	30	58
	<u>30</u>	<u>58</u>

Movement in the year:	Fixed assets £'000	Leases £'000	Total £'000
Balance at 1 January 2020	-	58	58
Credited to statement of comprehensive income	-	(28)	(28)
	<u>-</u>	<u>30</u>	<u>30</u>
Balance at 31 December 2020	<u>-</u>	<u>30</u>	<u>30</u>

Cougar Automation Limited
Financial Statements
For the year ended 31 December 2020

Notes *(continued)*
(forming part of the financial statements)

12 Called up share capital

	2020	2019
	£'000	£'000
<i>Allotted, called up and fully paid</i>		
795 (2019: 795) Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

The company has one class of shares which hold no right to dividends. All shares rank pari passu in respect of voting rights, dividends and on winding up.

13 Leases

The company has lease contracts for various offices, equipment and vehicles used in the operations. The amounts recognised in the financial statements in relation to the leases are as follows:

Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	2020	2019
	£'000	£'000
Right of use assets		
Offices	150	327
Vehicles	8	14
	<u>158</u>	<u>341</u>
	<u>158</u>	<u>341</u>
Lease liabilities		
Current	83	184
Non current	76	159
	<u>159</u>	<u>343</u>
	<u>159</u>	<u>343</u>

Additions to the right-of-use assets during the 2020 financial year were nil (2019: £171k).

Cougar Automation Limited
Financial Statements
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Notes *(continued)*
(forming part of the financial statements)

13 Leases *(continued)*

Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	2020	2019
	£'000	£'000
Depreciation charge of right of use assets		
Offices	(177)	(205)
Vehicles	(6)	(5)
	<u>(183)</u>	<u>(210)</u>
Interest expense (included in finance cost)	(6)	(9)
Expense relating to leases of low value assets (included in administrative expenses)	(3)	(7)

Future minimum lease payments as at 31 December are as follow:

	2020	2019
	£'000	£'000
Not later than one year	77	177
Later than one year and not later than five years	76	153
	<u>-</u>	<u>-</u>
Total gross payments	153	330
Impact of finance expenses	<u>6</u>	<u>13</u>
Carrying amount of liability	<u>159</u>	<u>343</u>

Notes *(continued)*
(forming part of the financial statements)

14 Related parties

Cougar Automation Limited has taken advantage of the exemption available not to disclose transactions with fellow wholly owned group companies.

15 Ultimate parent Company and parent Company of larger group

The Company is a 100% subsidiary of Vinci Energies UK Holdings Limited. The ultimate controlling party is Vinci SA, incorporated in France.

The largest group in which the results of the Company are consolidated is that headed by Vinci SA, France, and the smallest group is that headed by Vinci Energies UK Holdings Limited. The consolidated financial statements of these groups are available to the public and may be obtained from Vinci SA, 1 Cours Ferdinand de Lesseps, F-92851 Rueil-Malmaison Cedex, France.