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Registered number: 04135363

WINVIC CONSTRUCTION LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 JANUARY 2021

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WINVIC CONSTRUCTION LIMITED

COMPANY INFORMATION

Directors	S Girardier D Ward S Hunt R Butler C Allsopp T Reeve I Nelson M Jones I Goodhead (appointed 18 June 2020) R Cook (appointed 3 February 2021) H Ratcliffe (appointed 11 March 2021)
Company secretary	S Girardier
Registered number	04135363
Registered office	Brampton House 19 Tenter Road Moulton Park Northampton NN3 6PZ
Independent auditors	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA
Bankers	National Westminster Bank Plc 41 The Drapery Northampton NN1 2EY

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WINVIC CONSTRUCTION LIMITED

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WINVIC CONSTRUCTION LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

Winvic Performance at a Glance

2020 Highlights

- Turnover remains stable at £659m.
- 35 projects completed and 29 started across four main operating sectors.
- 89% of revenue from repeat clients.
- Launched a behavioural change programme across the business, 'Doing It Right', incorporating a digital web-based portal for reporting incidents, near misses and observations
- 25% reduction in AFR (Accident Frequency Rate).
- Ninth consecutive RoSPA Gold Award.
- Three Considerate Constructors Scheme (CCS) National Site Awards.
- Utilised BIM on 18 projects throughout the year.
- Total carbon footprint reduction of 19.5% (27.5% carbon reduction per employee).
- Launched Net Zero vision roadmap and Sustainability Strategy for the future.
- 8% of workforce in apprenticeship programmes.
- Became a Civil Engineering Contractors Association (CECA) member and given a place on its Council.
- Achieved Constructionline Gold level status.
- Covid-19 Site Operating Procedures recognised as industry best practice.

Key influences sustaining our strong performance over the year include:

- Responding quickly to the global Covid-19 pandemic implementing safe working practices to keep our business operational.
- Our ability to satisfy demand for sustainable and innovative solutions across all sectors and offering turnkey solutions from design, civils and infrastructure through to build and fit out.
- Maintaining our position as the UK's top industrial specialist securing work with new and repeat business clients and end-users, including prominent developers, global brands, and funds.
- Strengthening our standing within the civils and infrastructure sector through our reputation and delivering nationally significant, complex schemes for private and public sector clients.
- Expanding our position in the multi-room residential market building on our strong reputation for delivering high quality build-to-rent (BTR) and student accomodation.
- Maintaining an enviable record of project delivery whilst upholding an exemplar health and safety record.
- Nurturing and developing effective long-term partnerships with our loyal supply chain partners to enhance delivery.
- Attracting and retaining talented, highly motivated teams to drive performance.

Financial Key Performance Indicators

Winvic Construction Ltd has delivered another year of strong financial performance for the year ending January 2021 despite ongoing challenges of the Covid-19 pandemic. The company has maintained strong performance in all operating sectors with turnover of £659m (Jan 2020: £686m).

We estimate the year's turnover was reduced by approximately £60m as a consequence of progress on projects being suspended/ delayed due to measures put in place due to Covid-19.

Our forecasted turnover to January 2022 is £985m.

Winvic achieved revenue of £659m, underlying profit before tax of £14.8m and had a forward order book of £1,348m at the time of signing these accounts.

Financial highlights:

- Turnover of £659m (Jan 2020: £686m)
- Pre-tax profits of £14.8m (Jan 2020: £10.1m)
- Net cash position £46.3m (Jan 2020: £53.3m)
- Net current assets £51.9m (Jan 2020: £49.9m)

The company has continued to build on our strategic priorities and improve the way we measure our KPIs to measure performance in all sectors;

- Cash position
- Project margins and net operating profit
- Employee retention
- Customer satisfaction
- Supply chain relationships
- Health and Safety record

Principal Risks

Over the last 12 months, Covid-19 has remained the principal risk to provide all our employees and suppliers with a safe environment and up to date information on safe working practices. We have provided regular communications throughout the year to present a clear message on the direction the company is taking in respect of Covid-19 and mitigation measures in place, including regularly updating our Site Operating Procudures.

In the last six months, due to high levels of demand, we have seen unprecedented levels of material price increases, for example, structural steel and cladding materials have increased circa 20% in the last six months and are forecasted to increase 5% a quarter for the foreseeable future. In addition, demand levels have increased lead in periods for certain products significantly, for example cladding materials and resources are currently being procured on an eight-month lead in. This has meant more than ever, we have had to rely on our long-term supply chain relationships, together with early supplier engagement to secure positions on cost and programme delivery for our client base.

With the ever-changing client demand and challenges on our digital effectiveness, we look to continue to develop out our digital strategy plan for the coming years. Enhancements to our four key digital business objectives include a cloud based CRM platform to enhance our clients' user experiences and interactions with us, an online training platform to provide 24/7 training facilities for all our staff members, a digital platform to manage our supply chain, review and provide feedback on performance, workstream analysis, and finally enhancing the internal user experience for our own staff - easier access to information as hybrid working develops, user friendlier systems, functional operating systems for day to day use, development of a common data environment (CDE), training platforms and knowledge sharing.

Winvic Ethos

Winvic operates throughout the UK as a main contractor specialising in the design and delivery of industrial, build-to-rent, student accommodation, commercial projects, and complex civils & infrastructure schemes. Our multi-sector turnkey offer gives our clients commercially successful, unified solutions, from initial civils work through to build and fit out.

Our brand and ethos 'The Winvic Way' is the guiding principle that drives our success. The core values underpinning everything we do are: respect, loyalty, honesty, challenging/questioning, and passion: pride, tenacity drive – embodying the 'The Winvic Way' culture. Our clients, end-users, consultants, subcontractors, and employees appreciate this ethos - evidenced by our retention and repeat business figures.

Charitable foundation

Following the national lockdown in March 2020, our construction sites were forced to close temporarily and workforce numbers on our projects quickly dropped to around 10% of the pre-lockdown level. Unable to forecast the direction of travel, Winvic Construction made use of the government furlough scheme.

With further clarity of guidance, smarter ways of working and establishing Covid secure Site Operating Procedures, Winvic managed to re-open our sites and navigated a strong working platform throughout the ongoing pandemic. Our sectors of operation reacted with considerable external investment and Winvic responded increasing its operational activities.

In recognition of the support of the government's furlough scheme and Winvic's 20th year of trading, with support of the shareholders, the business will make an initial donation of £1 million pounds to a charitable foundation to be set up by the original business founders.

The foundation will be set up independently of Winvic and will appoint trustees accordingly and will operate within the legal and regulatory framework as set out by the Charity Commission.

Business Review

In 2020, throughout the Covid-19 response, the construction industry remained open for business requiring us to respond quickly to UK Government guidance to enable our sites to stay open and keep our business operational throughout the pandemic. All our sites continued working with vigilance to Covid-19 Site Operating Procedures (SOP). Throughout the year, we responded swiftly to manage the ongoing challenges presented and our Site Operating Procedures, were constantly reviewed and updated in line with the latest guidance.

In order to protect our workforce and successfully deliver projects whilst working to the highest safety standards, required significant investment in our IT infrastructure, PPE and hygiene products and equipment as part of the implementation of Covid safe measures across all our sites and offices. To enable us to implement a working from home policy with hands on operational teams only working on sites, we invested heavily in our IT systems and equipment with an emphasis on cyber security for remote access to allow all our key business support functions to work remotely.

Despite the challenges presented, Winvic has continued to aim for the highest possible standards across every aspect of our work and our ability to satisfy the increasing demand for our services from both new and existing clients, whilst maintaining an enviable record of project delivery and outstanding safety records, requires ongoing investment in all areas of our operations. Our ongoing success is testament to the drive and dedication of our people in everything we do, particularly throughout what has been a demanding year.

Investing in the Future

To support the evolving needs of the business and our growth across all sectors, we have further strengthened our capacity within our operations teams and our business support functions this year. With sustainability and innovation high on both Winvic's and our clients' agendas, the nature of roles needed to service future project delivery is becoming increasingly specialist.

Our people are our greatest asset and essential to the future of our business, and we are dedicated to helping our employees at all levels achieve their full potential through tailored, individual training and development programmes. Our Investors in People (IiP) status reflects our people management excellence. Through our dedicated Training and Innovation Centre, our employees benefit from in-house training and development in state-of-the-art facilities, arming them with the tools, resources and support they need to develop with the business. In the year ahead, we will be opening our first onsite training and innovation hub to enable our teams to upskill in the latest sustainability and digital advancements, in a real time scenario.

We are proud that we were able to support 11.5% of our workforce who are undertaking training and education programmes from NVQs to Masters' degrees despite the challenges presented by the pandemic. Our accredited training schemes with the CIOB (Chartered Institute of Building), ICE (Institute of Civil Engineers) and RICS (Royal Institute of Chartered Surveyors), continue to go from strength to strength, with new groups of employees working towards and achieving professional accreditations and qualifications.

This year, we joined the Civil Engineering Contractors Association (CECA) and have been given a place on its Council. Our membership provides our teams with access to specialist, sector specific training and development opportunities to bolster our skills and expertise within this sector.

As a responsible employer, we recognise that having a diverse workforce is important to our future and so across the business, we have actively engaged in activities aimed at attracting and developing an increasingly diverse workforce. To encourage more young people into our business, we have expanded our apprenticeship, year in industry and graduate programmes to attract a wider range of employees to increase our talent pipeline.

As part of our commitment to training and personal career development to drive performance, we have rolled out a new 12-month leadership development programme to 90 employees across our business.

We are equally dedicated to the wider construction industry helping tackle future industry skills shortages in meaningful ways by proactively promoting the sector and encouraging diversity. We recognise that we play a vital part in attracting, retaining, and progressing female talent within our business and that promoting best practice and at the same time positive role models to reinforce a positive image of the industry will attract more women. We have ensured opportunities exist for female talent to join us, stay with us and develop their careers with us, and over time through natural career progression, reach senior positions which will in turn have a positive impact on the gender pay gap.

Whilst Covid-19 has made this difficult, through our industry and education partnerships, we have continued to actively promote positive role models and the broad range of careers available through virtual careers events and our online channels. Through our onsite sustainability and innovation hub, we are seeking to inspire a diverse range of young people and enhance our educational engagement activities by inviting local schools, colleges, and universities to experience the latest industry advancements. We have continued our sponsorship of NTU's Women in Construction Award and have supported employee representation at virtual Construction and Engineering events particularly those related to sustainability and innovation.

We remain committed to combatting modern slavery, our programme of training for all existing and new employees is ongoing and we have engaged with our supply chain to outline our commitment under the modern slavery act and in commercial terms. Our next statement will be published on our website in September 2021.

The Future of Modern Contracting – our Commitment to BIM

Driven by our company values and our focus on a digital future, we successfully secured Innovate UK funding for two ground-breaking projects that will generate a significant leap forward for both safety and sustainability across the whole of the construction industry. The Computer-Vision-SMART initiative to develop camera-based and Artificial Intelligence (AI) technologies will keep operatives even safer from the multitude of hazards found on construction sites. The ASPEC (AI System for Predicting Embodied Carbon in Construction) project will develop an embodied carbon analytics AI system to predict the carbon output on construction projects based on BIM designs, materials carbon data and lessons learnt on past projects.

Demand for our Building Information Modelling (BIM) and Virtual Reality (VR) offering continues to grow from clients who really understand the benefits which has seen us utilise the technology on 18 projects over the last year. To meet the demand, we have increased the number of specialist roles in this area alongside upskilling our employees using our state-of-the-art facilities.

Securing a Sustainable Future

We remain committed to being a sustainable business and leaving a lasting positive, social, environmental, and economic legacy as a result of our actions. Our approach to sustainability ensures best practice across all our activities, extending beyond the construction projects we deliver, through our own business operations, and supporting our clients to achieve their sustainable goals.

To drive further progress, in 2020 we launched our Sustainability roadmap and vision for the future; to become a Net Zero business by 2025, making carbon reduction a key focus. Winvic's Sustainability Strategy focuses on four key pillars:

- People: Putting People First
- Innovation: Leading Through Innovation
- Planet: Protecting The Planet
- Community: Partners In Communities

To set out our pathway to achieving this, the Sustainability Working Group has set clear performance KPIs and has been developing and implementing initiatives within each pillar.

As part of our Net Zero Strategy, we have invested heavily in the infrastructure needed to enable us to deliver net zero buildings in the coming years to satisfy the growing demand from our clients. To support this, work has gone into the development of our Sustainable Procurement Policy, which will be rolled out over the next 12 months, to secure the engagement and commitment of our supply chain as we aim to develop a more sustainable future.

Our investment in people, technologies and forward-thinking approaches to construction puts us in the ideal position to support the green commitments made by our clients and has enabled us to deliver our first two WELL ready buildings. Utilising our state-of-the-art facilities, we have worked with our clients to use BIM data generated over the whole project lifecycle to enable faster, safer, less wasteful construction and more cost-effective, sustainable operation and maintenance during the occupation phase. We are determined to illustrate how using BIM to its fullest potential delivers tangible, end-to-end benefits for developers and tenants, from the pre-construction phase to many years into the future.

Partners in Communities

Working in partnership with the communities in which we operate, both directly and indirectly, to engage, support them and provide legacy has become inherent in the way we deliver our business. In recent times, this has been referred to as 'social value', but this has been part of the Winvic Way ethos since day one. To further demonstrate our commitment, we have invested in a dedicated Corporate Social Responsibility (CSR) function within the business to work closely with our clients to deliver on the ever-increasing social value obligations as part of planning conditions or our clients' own ethics agendas.

Our alignment with our clients' pledges has seen us secure several flagship projects and subsequently increased demand for this partnership approach to delivering social value. Despite the challenges presented by the pandemic, we have continued to deliver social value through a range of engagement activities working alongside our clients and their partners, to effectively target resources to support key issues that communities face providing positive, lasting contributions.

As a Considerate Constructors Scheme (CCS) Partner, we are committed to working in a respectful way, not only being mindful of our workforce, but also the environment and local communities. Testament to our respectful working, this year we won three prestigious National Site Awards for best practice and continued to consistently achieve above average scores.

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Resetting the Bar for Health, Safety and Wellbeing – Doing It Right

We are proud of our exemplary health and safety record, as demonstrated by our AFR reduction and our ninth consecutive RoSPA Gold Award, despite the constantly changing landscape due to the Covid-19 pandemic and increases in the number of people working across our sites.

However, ongoing excellence is our driver, so in May 2020 we launched a new cultural change programme to further improve behavioural safety at Winvic. Our 'Doing It Right' initiative aims to reduce the number of incidents by preventing 'walk by's' and sharing examples of good practice. By encouraging people to keep health and safety front of mind and be responsible at all times, 'Doing It Right' has helped us to reset the bar for health and safety behavioural standards across the entire business; we achieved our initial target to reduce our AFR by 25% in the first six months.

Our enviable staff retention rate is testament to the high levels of satisfaction, and we have enhanced our employee benefits package further this year to reward our loyal and longstanding employees. We take the health and wellbeing of all our employees seriously and are dedicated to raising the profile of mental health across our business, to create an environment that encourages everyone to talk about it openly; in the year ahead we will be training more Mental Health First Aiders across the business. We have enhanced our employee benefits package to include a wellbeing service, which offers our employees a 24/7 confidential helpline offering short-term counselling with fully qualified counsellors and provides access to comprehensive hub with a wealth of support and information.

Each year, our teams work hard to uphold the high-level standards and accreditations - ISO 9001, 14001, 45001 and 27001 - that help us to secure future work by providing a guarantee of our exemplary processes, products and services across areas of health, safety, environment and quality. We continually invest in our IT systems, resources and infrastructure to ensure we continue to meet the required standards for best practice in information security management, but the national lockdown accelerated the need to deploy cyber secure, IT equipment with remote access to enable our non-site based employees to work remotely.

Multi-Sector Performance

The financial year ended 31 January 2021 has been a challenging year due to the global Covid-19 pandemic, however our ability to evolve and adapt to both our clients' and market needs has ensured we continue to win work across the UK from a wide range of new and repeat business clients.

Despite the ongoing challenges presented by the pandemic, we successfully completed 35 projects to industry leading standards, responsibly, ethically and safely and saw the demand for our services grow across all our key operating sectors securing 29 new, forward-thinking and nationally significant projects.

Industrial

Our sustained success in this sector saw us safely deliver over 10 million sq ft industrial space in the past year taking the total to date to over 75 million sq ft. We continue to be the first-choice delivery partner for projects of increasing size, scale, importance and value, testament to the relationships that we have cultivated over many years and that we continue to be market leaders in the sector. Average project values continue to rise due to the growing demand for complex MHE, sortation and temperature-controlled requirements within online retail and food storage facilities, and last-mile delivery and fulfilment centres. Our ability to satisfy our repeat business clients' net zero ambitions has bolstered our reputation for delivering innovative and sustainable industrial schemes and has also enabled us to expand our new customer base. We anticipate the demand for our sustainability expertise to increase in the next few years maintaining our position as the UK's leading contractor within in this sector.

Fit Out

With retail and distribution efficiency more important than ever since the Covid-19 lockdowns and the resulting changes in consumer behaviour, the demand for the fit out of both existing buildings and those under construction has continued to grow. Our experience, understanding and unrivalled success in delivering challenging projects has provided further opportunities in this sector and has seen us deliver several complex fit outs directly for end-users to meet the demand within manufacturing, fulfilment and distribution. Delivery of these projects has further strengthened our expertise, knowledge and understanding of the diversity of client needs, the variance in scope of works and specific requirements for access and speed of delivery. Consequently, we have seen an increase in project opportunities and customers returning for a repeat experience, with this sector now forming a large part of our turnover.

Multi-Room

During an unprecedented year, we successfully delivered three major student developments, together with two substantial 'Build To Rent' schemes. This has increased our total delivery to date to 7,064 beds. With our reputation firmly established in the residential sector and our growth on track with a further four major BTR project awards in the core city locations. Our forward order book is robust with over 3,500 beds currently under construction securing turnover through to 2024.

While there have been significant challenges in the last year, the residential market continues to be resilient with the largest number of planning consents granted for BTR schemes awarded in the first quarter of 2021. This is reinforced as we are seeing opportunities arising in the secondary cities and regional hubs with new and existing clients, demonstrating the demand for well-designed / high quality accommodation.

Civils & Infrastructure

Our reputation for delivering nationally significant and complex civils and infrastructure schemes continues to grow across highways, rail and projects which enable future industrial and commercial developments. In the past year, we have strengthened our standing in the sector by amplifying our focus on standalone schemes, which has seen us win six major projects involving specialist civils works; two freeport rail terminals including an SRFI, one of the UK's first rail traversers and four complex bridge structures. We entered our first contract directly with Highways England at the A5 Hinckley to construct a new roundabout to facilitate access to a new distribution and logistics park alongside delivering six highways upgrade schemes to facilitate the delivery of industrial developments.

Our investment in our highly skilled core delivery teams has further strengthened our capacity and through our safety first focus we have achieved an impeccable safety record. This puts us in a strong position to focus on opportunities presented within public sector frameworks in the year ahead through the government's committed investment in national infrastructure programmes. We anticipate an increased demand and future pipeline of opportunities for highways, rail, environment and port works and we are aiming for steady growth over the next four years by securing work with key public sector clients like Highways England, Network Rail, local highways authorities and highways alliances, and the Environment Agency.

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Our Future

The Company's prospects look very positive for the financial year ending 31 January 2022 and beyond with a forward order book of £1,348m with a pipeline of secured contracts across our four key operating sectors.

Year End Jan 2022 £951m
Year End Jan 2023 £352m
Year End Jan 2024 £45m

With the current lead ins on critical materials it is likely the significant portion of turnover in respect of further projects we secure this year will be carried out in the next financial year we are there forecasting a turnover of £985m to Jan 2022.

This growth in turnover is predominately being delivered by an increase in average project size in all sectors as opposed to a significant number of individual projects.

We continue to nurture relationships with our clients and supply chain to bring new and repeat business to maintain our consistent growth trajectory, considering sector trends, economic variables and the future needs of the UK.

We believe our drive to both develop the leadership skills of our employees and attract high performing, talented individuals, places the company in a very strong position to sustain our enviable record of project delivery, to industry leading standards, whilst upholding outstanding safety records.

Section 172 (1) Statement

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, have acted in a way that they consider, in good faith, promotes the success of the company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term.

Such considerations of how s172 factors have been applied by the Board have been noted below:

- the likely consequences of decisions in the long term have been discussed further in 'Our Future';
- the interests of the company's employees can be found within 'Investing in the Future' and 'Resetting the Bar for Health, Safety and Wellbeing - Doing it Right' sections;
- the need to foster the company's business relationships with suppliers, customers and others is included within 'Our Future;
- the impact of the company's operations on the community and the environment please see details included within 'Securing a Sustainable Future' and 'Partners in Communities';
- the desirability of the company maintaining a reputation for high standards of business conduct remains paramount to the business and can be seen throughout our report. One example can be seen within 'The Future of Modern Contracting – Our Commitment to BIM'; and
- the need to act fairly between members of the company is summarised below.

The company recognises the importance of maintaining strong relationships with its stakeholders in order to create sustainable long-term value, and the Board encourages active dialogue and transparency with all its stakeholder groups.

The Board of Directors is responsible for setting the company's overall strategy and maintaining oversight of its activities. The Board believes that having regard to each of these stakeholder groups ensures the proper discharge of their duties under section 172 (1).

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This report was approved by the board and signed on its behalf by:.

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S Girardier
Director

Date: 07 October 2021

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

The directors present their report and the financial statements for the year ended 31 January 2021.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

Coronavirus

At the date of signing these financial statements, the directors have considered the effects of COVID-19 on the company with the information available to it, and do not believe it will affect the company's ability to continue to trade for the foreseeable future.

As with most businesses, short term practical difficulties had to be addressed and managed, however there are now positive signs from our clients that continue to operate normally. We are also well placed to win potential new commercial opportunities. See note 1.2 for further details.

Results and dividends

The profit for the year, after taxation, amounted to £12,086,000 (2020: £8,557,000).

Dividends paid during the year are disclosed in note 10.

Directors

The directors who served during the year are shown on the company information page.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

Employee involvement

The directors believe that although successful employee involvement requires support and impetus from management, the key to its effectiveness lies in giving it a local focus, however, rather than relying wholly on formal systems and structures, great importance is attached to the managerial style and the quality of direct contact and relationship with employees.

Disabled employees

It is the policy of the company to promote equality of employment opportunities by giving full and fair consideration to applications from disabled people for vacancies. Should existing employees become disabled, every effort is made to retain the employee within the workforce wherever reasonable and practicable. The company also endeavours to provide equal opportunities in the training, promotion and general career development of disabled employees.

Streamlined Energy and Carbon Reporting (SECR)

Information regarding SECR can be found in the group accounts of the ultimate holding company, Winvic Group Limited.

Strategic report

The group has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the group's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the directors' report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

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

This report was approved by the board and signed on its behalf.

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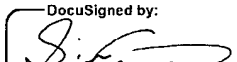
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S Girardier
Director

Date: 07 October 2021

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINVIC CONSTRUCTION LIMITED

Opinion

We have audited the financial statements of Winvic Construction Limited (the 'company') for the year ended 31 January 2021, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2021 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINVIC CONSTRUCTION LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, 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.

Auditors' 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 auditors' 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.

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:

Our assessment focussed on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of construction companies;
- we assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias, in particular the calculations involved in the recognition of long term contracts, including reviews of forecasts, cost allocation testing, and a review of the completeness of provisions for loss making contracts;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, inspecting legal correspondence, performing a review of legal and professional nominal codes and board minutes in the year and post year end;
- we assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
    - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
    - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- to address the risk of fraud through management bias and override of controls, we:
    - tested journal entries to identify unusual transactions;
    - investigated the rationale behind significant or unusual transactions; and
    - reviewed certain nominal codes for indication of any management override.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WINVIC CONSTRUCTION LIMITED (CONTINUED)

Use of our report

This report is made solely to the company's members 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 auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Cooper Parry Group Ltd.

Andrew Honarmand (Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 7 October 2021

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WINVIC CONSTRUCTION LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2021

	Note	2021 £000	2020 £000
Turnover	3	659,262	685,983
Cost of sales		(620,295)	(654,711)
Gross profit		38,967	31,272
Administrative expenses		(25,594)	(21,336)
Other operating income	4	1,338	-
Operating profit	5	14,711	9,936
Interest receivable and similar income		62	201
Interest payable and expenses		-	(2)
Profit on ordinary activities before taxation		14,773	10,135
Tax on profit on ordinary activities	9	(2,687)	(1,578)
Profit for the financial year		12,086	8,557

There were no recognised gains and losses for 2021 or 2020 other than those included in the profit and loss account.

The notes on pages 19 to 31 form part of these financial statements.

WINVIC CONSTRUCTION LIMITED
REGISTERED NUMBER: 04135363

BALANCE SHEET
AS AT 31 JANUARY 2021

	Note		2021 £000		2020 £000
Fixed assets					
Tangible assets	11		827		896
Current assets					
Debtors: amounts falling due after more than one year	12	6,107		6,877	
Debtors: amounts falling due within one year	12	185,689		158,006	
Bank and cash balances		46,346		53,303	
		238,142		218,186	
Creditors: amounts falling due within one year	13	(186,217)		(168,323)	
Net current assets			51,925		49,863
Total assets less current liabilities			52,752		50,759
Creditors: amounts falling due after more than one year	14		(4,107)		(4,206)
Provisions for liabilities					
Deferred tax	15		(82)		(73)
Net assets			48,563		46,480
Capital and reserves					
Called up share capital	16		110		110
Share premium account	17		30		33
Profit and loss account	17		48,423		46,337
			48,563		46,480

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

DocuSigned by:
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S Girardier
Director 07 October 2021

The notes on pages 19 to 31 form part of these financial statements.

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WINVIC CONSTRUCTION LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 February 2020	110	33	46,337	46,480
Profit for the year	-	-	12,086	12,086
Dividends paid (note 10)	-	-	(10,000)	(10,000)
Shares repurchased during the year (note 16)	-	(3)	-	(3)
At 31 January 2021	110	30	48,423	48,563

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2020

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 February 2019	1	-	37,889	37,890
Profit for the year	-	-	8,557	8,557
Shares issued during the year	-	33	-	33
Bonus issue of shares during the year	109	-	(109)	-
At 31 January 2020	110	33	46,337	46,480

The notes on pages 19 to 31 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

1. Accounting policies

Winvic Construction Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company. The financial statements are for the year ended 31 January 2021 (2020: year ended 31 January 2020).

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following principal accounting policies have been consistently applied throughout the year:

1.2 Going concern and Coronavirus

The company has made a profit in the year and at the balance sheet date has a strong cash balance and significant net current asset resources amounting to £51.9m.

At the time of signing these accounts, the directors have considered the effect of COVID-19 on the business and revised their forecasts accordingly. The company has continued to trade throughout the lockdown period imposed by the UK Government by implementing effective risk management practises in the workplace. The forecasts indicate that the company will continue to trade for a period of at least 12 months from the date of signing these accounts and that the company will be able to operate within the funds available to it.

On that basis, the directors have prepared these financial statements on a going concern basis.

1.3 Disclosure exemptions

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of a cash flow statement and the aggregate remuneration of key management personnel. Where required, equivalent disclosures are given in the group accounts of Winvic Group Limited. The group accounts of Winvic Group Limited are available to the public and can be obtained as set out in note 21.

1.4 Research and development expenditure

Research expenditure is written off to the profit and loss account within cost of sales in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

Any tax credits arising in respect of research and development expenditure are credited to other operating income within the profit and loss account when it is reliably measurable and it is probable that the credit will be received.

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1. Accounting policies (continued)

1.5 Operating leases

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.6 Turnover

Turnover comprises the fair value of consideration received or receivable, net of any Value Added Tax, rebates and discounts.

Turnover arises from increases in valuations on contracts and is the gross value of work carried out for the period to the balance sheet date, including contract variations and claims.

Variations in contract work are only included to the extent that it is probable that they will result in revenue and that they are capable of being reliably measured.

Where the total income of a contract cannot be estimated reliably, contract revenue is recognised to the extent that it is probable contract costs incurred will be recoverable.

Profit on contracts is calculated in accordance with accounting standards and industry practice. Profit recognition is based on an assessment of the overall profitability forecast on individual contracts and is recognised when the outcome of the contract can be assessed with reasonable certainty. The profit recognised reflects that part of the total profit currently estimated to arise over the duration of the contract that fairly represents the profit attributable to work performed at the balance sheet date. The assessment of the final outcome of each contract is determined by regular review of the revenues and costs to complete that contract.

Provisions are made for losses incurred or foreseen in bringing the contract to completion as soon as they become apparent.

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1. Accounting policies (continued)

1.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Improvements to property	- 10 years straight line
Motor vehicles	- 4 years straight line
Fixtures, fittings and equipment	- 4 years straight line
Computer equipment	- 2-4 years straight line

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit and loss account within administrative expenses.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately in the profit and loss account within administrative expenses.

1.8 Long-term contracts

Amounts recoverable on long term contracts (AROC) represent the gross unbilled amount for contract work performed to date. They are measured at cost plus profit recognised to date (see the turnover accounting policy) less a provision for foreseeable losses and less progress billings.

AROC is presented in debtors on the balance sheet. If payments received from customers exceed the income recognised, then the difference is presented in payments on account within creditors on the balance sheet.

1.9 Pensions

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

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1. Accounting policies (continued)

1.10 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors and loans to related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.11 Government grants

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

Grants relating to the Coronavirus Job Retention Scheme are recognised when the requirements are met and recognised in the profit and loss account within other operating income in the period which it relates to.

1.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

1.13 Current and deferred taxation

The tax charge comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current of past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date except as otherwise indicated.

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

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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

The company makes estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

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

Recognition of profit on long term contracts

Profit recognition is based on an assessment of the overall profitability forecast on individual contracts. Losses are recognised as soon as they are foreseen. Profits are recognised by the directors when the outcome of the contract can be assessed with reasonable certainty. The profit recognised reflects that part of the total profit currently estimated to arise over the duration of the contract that fairly represents the profit attributable to work performed at the accounting date.

Recoverability of trade debtors

Trade debtors and other receivables are recognised to the extent that they are judged recoverable. The directors' reviews are performed to estimate the level of reserves that are required for irrecoverable debt. Provisions are made specifically against specific invoices where recoverability is uncertain.

The directors make allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ, the director's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not, external advice is sought where appropriate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

2. Judgements in applying accounting policies (continued)

Leasing

The company determines whether leases entered into are an operating lease or a finance lease. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the company on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Taxation

There are many transactions and calculations for which the ultimate tax determination is uncertain. The company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due.

The directors estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

3. Turnover

The whole of the company's turnover is derived from its principal activity and was conducted entirely within the United Kingdom.

4. Other operating income

	2021 £000	2020 £000
Research and development tax credit	873	-
Government grants receivable	465	-
	1,338	-

Government grants receivable relates to income received under the Coronavirus Job Retention Scheme.

5. Operating profit

The operating profit is stated after charging:

	2021 £000	2020 £000
Depreciation of tangible fixed assets	603	447
Research and development expenditure	8,002	8,421
Operating lease rentals	214	214

6. Auditors' remuneration

	2021 £000	2020 £000
Fees payable to the company's auditor for the audit of the company's annual financial statements	25	22

Fees payable to the company's auditor in respect of:

Taxation compliance services	4	3
Other services relating to taxation	36	58
All other services	4	6
	44	67

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £000	2020 £000
Wages and salaries	24,307	20,178
Social security costs	2,822	2,658
Pension costs	1,089	970
	28,218	23,806

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	2020 No.
Executive directors	9	8
Senior management and site managers	251	230
Administration	113	98
	373	336

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8. Directors' remuneration

	2021 £000	2020 £000
Directors' emoluments	1,491	816
Company contributions to defined contribution pension schemes	22	52
	1,513	868

During the year retirement benefits were accruing to 6 directors (2020: 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £393,455 (2020: £210,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £6,000 (2020: £13,000).

9. Taxation

	2021 £000	2020 £000
Corporation tax		
Current tax on profits for the year	2,539	1,814
Adjustments in respect of previous periods	141	(275)
Total current tax	2,680	1,539
Deferred tax		
Origination and reversal of timing differences	7	39
Total deferred tax	7	39
Taxation on profit on ordinary activities	2,687	1,578

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	2021 £000	2020 £000
Profit on ordinary activities before tax	14,773	10,135
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	2,807	1,926
Effects of:		
Expenses not deductible for tax purposes	49	70
Income not taxable for tax purposes	(166)	-
Fixed asset differences	1	7
Adjustments to tax charge in respect of prior periods	141	(275)
Adjustments to tax charge in respect of the change in effective rate of deferred tax	8	(5)
Group relief	(153)	(145)
Total tax charge for the year	2,687	1,578

Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. It was substantively enacted on 24 May 2021 and so the deferred tax rate applicable at 31 January 2021 was still 19%.

10. Dividends

	2021 £000	2020 £000
Dividends paid	10,000	-

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11. Tangible fixed assets

	Improvements to property £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Computer equipment £000	Total £000
Cost					
At 1 February 2020	43	237	1,407	938	2,625
Additions	-	53	98	383	534
At 31 January 2021	43	290	1,505	1,321	3,159
Depreciation					
At 1 February 2020	34	157	933	605	1,729
Charge for the year	2	50	207	344	603
At 31 January 2021	36	207	1,140	949	2,332
Net book value					
At 31 January 2021	7	83	365	372	827
At 31 January 2020	9	80	474	333	896

12. Debtors

	2021 £000	2020 £000
Due after more than one year		
Construction contract retentions	6,107	6,877

	2021 £000	2020 £000
Due within one year		
Trade debtors	103,622	66,520
Amounts owed by group undertakings	36,065	37,223
Other debtors	13,697	16,001
Prepayments and accrued income	275	125
Amounts recoverable on long term contracts	9,024	17,536
Construction contract retentions	23,006	20,601
	185,689	158,006

13. Creditors: Amounts falling due within one year

	2021 £000	2020 £000
Payments received on account	33,903	36,516
Trade creditors	107,692	89,700
Corporation tax	-	78
Other taxation and social security	895	800
Subcontractor retentions	20,583	17,846
Accruals and deferred income	23,144	23,383
	186,217	168,323

14. Creditors: Amounts falling due after more than one year

	2021 £000	2020 £000
Subcontractor retentions	4,107	4,206

15. Deferred taxation

	2021 £000	2020 £000
At beginning of year	74	35
Charged to profit or loss	6	39
At end of year	80	74

The provision for deferred taxation is made up as follows:

	2021 £000	2020 £000
Accelerated capital allowances	80	74

16. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
99,750 Ordinary shares of £1.00 each	99,750	99,750
9,975 Ordinary A shares of £1.00 each	9,975	9,975
23,100 Ordinary B shares of £0.01 each	231	231
27,225 Ordinary C shares of £0.01 each	272	322
	110,228	110,278

During the year, 4,950 Ordinary C shares were repurchased by the company for a total consideration of £3,000 being equivalent to the original issue price.

17. Reserves

Share premium account

This represents the difference arising between the consideration less nominal value of shares issued. The share premium account is not distributable.

Profit and loss account

Represents all current and prior period accumulated profits and losses, less dividends paid.

18. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,089,000 (2020: £970,000).

19. Commitments under operating leases

At 31 January 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £000	2020 £000
Not later than 1 year	247	205
Later than 1 year and not later than 5 years	993	596
Later than 5 years	44	164
	1,284	965

20. Related party transactions

As the company is a wholly owned subsidiary of a company whose consolidated accounts include the results of the subsidiary and are publicly available, the company has taken advantage of the exemption contained within FRS 102 from the disclosure of transactions with group companies.

During the year, the company made sales of £3,507,000 (2020: £11,080,000) to companies in which some of the directors hold a significant interest. Amounts of £5,883,000 (2020: £8,456,000) and £608,000 (2020: £3,745,000) were included within trade debtors and amounts recoverable on long term contracts respectively.

The company also rents property from companies in which some of the directors hold a significant interest. Annual leases payable to these companies total £94,000 (2020: £85,000).

The company also rents property from the pension scheme. Annual leases payable to the pension scheme total £120,000 (2020: £120,000).

21. Ultimate parent company

The company is a wholly controlled subsidiary undertaking of Winvic Group Limited.

Winvic Group Limited is the ultimate parent company, incorporated in the United Kingdom and is the largest and smallest group for which consolidated accounts are prepared. Consolidated financial statements can be obtained from Companies House, Cardiff, CF14 3UZ.

Winvic Group Limited is controlled by its principal shareholders S Girardier, S Hunt and D Ward.