

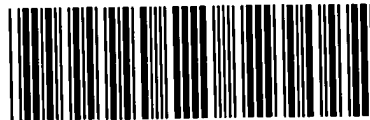
Company Registration No. 06931399 (England and Wales)

SKY FUTURES PARTNERS LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MAY 2022**

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SKY FUTURES PARTNERS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2022

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

SKY FUTURES PARTNERS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 MAY 2022**

	Notes	2022 £000	£000	2021 £000	£000
Fixed assets					
Intangible assets	3		540		497
Tangible assets	4		134		84
			<u>674</u>		<u>581</u>
Current assets					
Debtors	5	950		367	
Cash at bank and in hand		2		46	
		<u>952</u>		<u>413</u>	
Creditors: amounts falling due within one year	6	<u>(322)</u>		<u>(252)</u>	
Net current assets			<u>630</u>		<u>161</u>
Total assets less current liabilities			<u>1,304</u>		<u>742</u>
Creditors: amounts falling due after more than one year	7		(1,915)		(1,135)
Net liabilities			<u>(611)</u>		<u>(393)</u>
Capital and reserves					
Called up share capital			51		51
Share premium account	8		42		42
Profit and loss reserves	8		(704)		(486)
Total equity			<u>(611)</u>		<u>(393)</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 07/11/22 and are signed on its behalf by:

Alan McQuade

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A McQuade
Director

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

Sky Futures Partners Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 57-59 Elmsfield Park, Holme, Carnforth, Lancashire, England, LA6 1RJ.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

The financial statements have been prepared on a going concern basis, which the directors consider to be appropriate.

In making their assessment of going concern, the directors have considered the future financial performance of the group, including the ability of the group to comply with agreed financial covenants under its bank facilities. The directors have also considered the risks and opportunities arising from scheduled or notified customer contract negotiations and the extent to which forecast expenditure, including capital investment, is committed or uncommitted. The directors, having considered the group's financial position and the future financial projections, including reasonably possible downside scenarios are of the opinion that the company, with continued funding from the group, has adequate financial resources to continue in operational existence for at least twelve months from the date of these financial statements. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised as the services are provided based on contractual hourly staff rates and materials. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies (Continued)

Intangible fixed assets other than goodwill

In the event that an internally generated intangible asset arises from the company's development activities then it will be recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- the project from which the asset arises meets the company's criteria for assessing technical feasibility;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Internally generated intangible assets are amortised on a straight-line basis over their useful lives. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Subsequent expenditure on capitalised intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Product Development	Linear amortisation over the economic lifetime
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Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	10-15% on cost
Fixtures, fittings and equipment	25% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. 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. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies (Continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies (Continued)

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

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

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The company had no employees during the period. Employees are contracted through ICR Integrity Limited and recharged to this company.

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

3 Intangible fixed assets

	Product Development £000
Cost	
At 1 June 2021	497
Additions	43
At 31 May 2022	<u>540</u>
Carrying amount	
At 31 May 2022	<u>540</u>
At 31 May 2021	<u>497</u>

4 Tangible fixed assets

	Plant and machinery £000	Fixtures, fittings and equipment £000	Total £000
Cost			
At 1 June 2021	430	13	443
Additions	111	1	112
At 31 May 2022	<u>541</u>	<u>14</u>	<u>555</u>
Depreciation and impairment			
At 1 June 2021	352	7	359
Depreciation charged in the year	60	2	62
At 31 May 2022	<u>412</u>	<u>9</u>	<u>421</u>
Carrying amount			
At 31 May 2022	<u>129</u>	<u>5</u>	<u>134</u>
At 31 May 2021	<u>78</u>	<u>6</u>	<u>84</u>

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Debtors	2022	2021
Amounts falling due within one year:	£000	£000
Trade debtors	196	35
Corporation tax recoverable	-	3
Amounts owed by group undertakings	-	9
Group relief	285	207
Other debtors	67	12
Prepayments and accrued income	386	46
	<u>934</u>	<u>312</u>
Deferred tax asset	16	55
	<u>950</u>	<u>367</u>

Interest is charged on the amounts due to parent and fellow subsidiary undertakings at a rate of 4% (2021 - 4%).

6 Creditors: amounts falling due within one year	2022	2021
	£000	£000
Trade creditors	66	27
Amounts owed to group undertakings	-	24
Taxation and social security	-	125
Other creditors	38	-
Accruals and deferred income	218	76
	<u>322</u>	<u>252</u>

Interest is charged on the amounts due to parent and fellow subsidiary undertakings at a rate of 4% (2021 - 4%).

7 Creditors: amounts falling due after more than one year	2022	2021
	£000	£000
Amounts owed to group undertakings	1,915	1,135

Interest is charged on the amounts due to parent and fellow subsidiary undertakings at a rate of 4% (2021 - 4%).

8 Reserves

Share premium

The share premium reserve represents the premium arising on issue of equity shares, net of issue expenses.

SKY FUTURES PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

9 Financial commitments, guarantees and contingent liabilities

The bank hold a cross corporate guarantee which includes the companies: ICR Integrity Limited, Walker Technical Resources Limited, MOSS Mechanical On Site Services Limited, Sky Futures Partners Limited, ICR Integrity (Group) Limited, ICR (Investment 2) Limited, ICR (Investment 1) Limited, Omni Integrity Limited, ICR Integrity (Holdings) Limited and ICR (Holdings 1) Limited.

At the year end the total due to the bank by the group was £29,000,000 (2021 - £32,000,000).

The Group was refinanced in December 2019. Each company in the Group is party to a group guarantee of £4,000,000 in favour of Graphite Capital Partners. Consequently, Graphite Capital Partners VIII A LP, Graphite Capital Partners VIII B LP, Graphite Capital Partners VIII CLP, Graphite Capital Partners VIII D LP, Graphite Capital Partners VIII 'TOP UP FUND' A LP, Graphite Capital Partners VIII 'TOP UP FUND' B LP and Graphite Capital Co-Investment VIII LP provide a guarantee and indemnity of up to £4,000,000 to The Royal Bank of Scotland Plc with respect to the group's banking facilities.

10 Events after the reporting date

In August 2022, a member of the group to which the company belongs entered into an Amendment and Restatement Agreement which extended the bank facilities to May 2025 as detailed in Note 9, no other terms surrounding the facilities were amended.

11 Parent company

The immediate parent company is ICR Integrity Limited, a company registered in the United Kingdom.

The ultimate parent company is ICR (Holdings) 1 Limited, a company registered in the United Kingdom.

Group consolidated accounts are prepared by ICR (Holdings) 1 Limited and its registered office is 57-59 Elmsfield Park, Holme, Camforth, Lancashire, England, LAG 1RJ.

12 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Grant Morrison CA.

The auditor was RSM UK Audit LLP.