

Company Registration No. 04018003 (England and Wales)

B W INTERIORS LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2024

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B W INTERIORS LIMITED

COMPANY INFORMATION

Directors	S Elliott A J Brown A Bradley P R Smith
Company number	04018003
Registered office	5 Old Bailey London EC4M 7BA
Auditor	RSM UK Audit LLP Chartered Accountants Third Floor T Bromley 15-17 London Road Bromley Kent BR1 1DE

B W INTERIORS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present the strategic report for the year ended 31 December 2024.

Review of the business

A summary of the financial results for the year ended 31 December 2024, the financial position as at that date and certain key financial performance indicators, are set out in the table below:

	2024	2023
Turnover	£244.0m	£200.1m
Gross profit	£21.2m	£15.8m
Operating margin	2.38%	1.50%
Profit before tax	£6.0m	£3.0m
Profit after tax	£4.3m	£2.1m
Cash at bank	£40.5m	£8.7m
Net current assets	£22.0m	£19.1m
Net assets	£22.4m	£20.0m

B W Interiors Limited (BW) achieved record financial results in 2024, entering its 25th year with a strong balance sheet and a commitment to delivering high-quality, defect-free projects. Net assets increased by £2.4m to £22.4m (2023: £20.0m), reinforcing the company's capacity to invest in future growth and support and expanding client base.

The company remains focused on the Commercial Office and Education sectors within central London. Within the Commercial Office sector, BW is supported by an increasing number of framework agreements that position the company as a trusted partner. The Design and Build division is now well established, offering clients an alternative project delivery approach.

Revenue growth in 2024 was driven in part by the successful execution of larger, high-value projects. The company continues to manage multiple large-scale contracts, demonstrating its ability to deliver complex projects without compromising quality or schedule. The increasing demand for high-specification fit-outs in the legal sector aligns with BW's core competencies.

Market trends, including the drive to encourage employees back to office environments, have contributed to demand. Companies are increasingly investing in high-quality workspaces to attract and retain staff, with a growing number implementing four- or five-day office working weeks.

Cash reserves at year-end stood at £40.5m and the company has had average cash of over £30m so far this year. The company has secured over £200m in turnover for 2025 and is well positioned to sustain performance in a favourable market environment.

Principal risks and uncertainties

The company's principal risks and uncertainties relate to health and safety, the risk of entering into unprofitable contracts and cash flow risk, which are mitigated as follows.

Prior to entering into any contract, thorough due diligence of every potential project. BW operates a rigorous risk assessment, which is managed by its highly experienced senior teams.

BW ensure compliance with health and safety industry best practice. Our primary responsibility is caring for our employees and supply chain partners, ensuring that our projects are delivered safely and defect free.

BW are diligent in cash management and forecasting which is shared with all senior management on a daily basis to retain focus. We continue to have excellent working relationships with our bankers, HSBC, and will continue to manage cash effectively.

B W INTERIORS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Directors' duties and stakeholder engagement

Section 172 of the Companies Act requires directors to act in a way that they consider would be most likely to promote the success of the company. In doing so, directors must take into consideration the interests of various stakeholders of the company (including employees, clients, suppliers, shareholders, and others), the impact of the company's operations on the community and the environment and take a long-term view of the likely consequences of decisions they make as well as maintaining a reputation for high standards of business conduct.

The board have had constant dialogue during the year with all stakeholders including, shareholders, our employees, clients, sub-contractors and suppliers, as well as the wider community.

Shareholders, principal decision taken and business planning

We meet regularly through management meetings to review strategy, performance, and where necessary governance to ensure the long-term interests of the company are met. We continue to be focused on developing long term value through increases in net assets to protect the company's position.

Employees

We are passionate about ensuring that all our employees are protected to ensure that their Health, Safety and Wellbeing is of the upmost priority.

We want the BW of the future to more closely represent the society in which we live. We have reflected on the way our organisation looks now and we know we must change that for the better. So, from now on, we'll do things differently and take active steps to make the BW of ten years from now dramatically different.

We are working in partnership with a small number of organisations that specialise in under-represented groups to completely re-think our employment practices. That's why we have ongoing unconscious/conscious bias workshops for the whole business to make sure that we provide a workplace that is genuinely inclusive. We hold annual conferences to communicate our strategy and performance, as well as hosting regular updates throughout the year.

Clients and business conduct

Personable, honest, reliable, professional, innovative: these are the most frequent words clients use to describe BW when we seek feedback on performance, which are all qualities we look for in the workplace experts we employ. Our aim is to complete our projects Defect Free. It's a bold challenge and one which we are fully committed to achieving. We are built around the idea that we should serve our clients better and we want to be at the forefront of making the journey simpler and making the experience with our clients even more memorable. We continually seek feedback on our relationships and performance and drive our performance levels to improve where necessary.

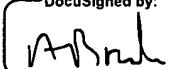
Sub-contractors and suppliers

We pride ourselves on establishing and maintaining relationships with all our supply chain. We operate a preferred supplier scheme which allows for prompter payments. 98% of all our payments were made within 60 days.

Wider community and the environment

Getting our industry and the environment to achieve Net Zero Carbon means everyone needs to work together for the common goal of saving our planet. By Net Zero Carbon, we mean offsetting any carbon that cannot be removed during the processes of what we do. We want to be at the centre of the change that needs to happen, working with our customers and partners to shape the built environment for the better. We will work with our clients, consultants, and supply chain to influence change within the design and specification of every project we are involved in.

On behalf of the board

DocuSigned by:

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A Bradley
Director

26 March 2025 | 16:36 GMT
Date:

B W INTERIORS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors present their annual report and financial statements for the year ended 31 December 2024.

Principal activities

The principal activity of the company continued to be that of fitting out and refurbishment of commercial premises.

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £2,000,000 (2023: £1,823,232). The directors do not recommend payment of a final dividend (2023: £Nil).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Elliott
A J Brown
A Bradley
P R Smith

Directors' insurance

The group of which the company is a member has in place a Directors and Officers liability insurance policy that provides appropriate cover in respect of legal action against its directors.

Financial instruments risks

Exposure to credit, liquidity, and interest rate risks arise in the normal course of business. These are monitored by the Board of Directors and were not considered to be significant at the balance sheet date. The risks are limited by the company's financial management policies described below.

Credit risks – The company deals with creditworthy clients. Trade receivables are monitored on an ongoing basis via the company's management reporting procedures

Liquidity risk – The company manages its liquidity risk by forecasting cash flow and monitoring actual funds on a daily basis. We aim to manage liquidity so that we always have sufficient funds to meet current liabilities when they fall due.

Interest Rate Risk - The company has no current borrowings and manages its cashflow as not to require any additional facilities for working capital.

Auditor

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

Stakeholder engagement and future development disclosures are not disclosed within the Directors' Report as they are instead included within the Strategic Report on pages 1 and 2 under s414c(11) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.


Streamlined Energy and Carbon Reporting

B W Interiors Limited has taken exemption from the reporting requirements of SECR as this information is included in the consolidated financial statements of BW Workplace Experts Limited, the ultimate holding company.

B W INTERIORS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

On behalf of the board

DocuSigned by:

FF62B7D229FB43D.....
A Bradley
Director

26 March 2025 | 16:36 GMT
Date:

B W INTERIORS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The directors are responsible for preparing the Strategic Report and 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;
- 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF B W INTERIORS LIMITED

Opinion

We have audited the financial statements of B W Interiors Limited (the 'company') for the year ended 31 December 2024 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF B W INTERIORS LIMITED (CONTINUED)

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 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF B W INTERIORS LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, completing disclosure checklists and reviewing tax computations prepared by external tax advisors.

The audit engagement team identified the risk of management override of controls, revenue recognition and amounts owed on contract customers, research and development expenditure credit and subcontractor accruals as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to challenging and, where appropriate, corroborating management judgements and estimates associated with year end revenue recognition and subcontractor accruals, obtaining management's estimate in relation to the 2024 research and development credit submission, reviewing the calculation and challenging the key assumptions used in the financial statements, testing a sample of journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Hunt

Helen Hunt (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
T Bromley
15-17 London Road
Bromley
Kent, BR1 1DE

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26/03/25

B W INTERIORS LIMITED

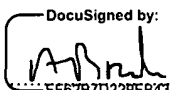
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2023 £
Turnover	3	243,979,651	200,116,267
Cost of sales		(222,785,332)	(184,303,057)
Gross profit		21,194,319	15,813,210
Administrative expenses		(15,387,407)	(12,834,612)
Operating profit	6	5,806,912	2,978,598
Interest receivable and similar income	8	157,393	-
Profit before taxation		5,964,305	2,978,598
Tax on profit	9	(1,612,047)	(840,837)
Profit for the financial year		4,352,258	2,137,761

B W INTERIORS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2024**

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Intangible assets	11		269,665		354,653
Tangible assets	12		650,453		799,687
			<u>920,118</u>		<u>1,154,340</u>
Current assets					
Debtors	13	63,606,546		58,209,073	
Cash at bank and in hand		<u>40,490,192</u>		<u>8,700,606</u>	
		104,096,738		66,909,679	
Creditors: amounts falling due within one year	14	<u>(81,988,173)</u>		<u>(47,784,232)</u>	
Net current assets			<u>22,108,565</u>		<u>19,125,447</u>
Total assets less current liabilities			<u>23,028,683</u>		<u>20,279,787</u>
Creditors: amounts falling due after more than one year	15		(633,802)		(181,662)
Provisions for liabilities	16		-		(55,502)
Net assets			<u>22,394,881</u>		<u>20,042,623</u>
Capital and reserves					
Called up share capital	19		100		100
Profit and loss reserves	20		<u>22,394,781</u>		<u>20,042,523</u>
Total equity			<u>22,394,881</u>		<u>20,042,623</u>

The financial statements were approved by the board of directors and authorised for issue on 26 March 2025 | 16:36 GMT and are signed on its behalf by:

DocuSigned by:

 FF62B7D229FB43D.....
 A Bradley
 Director

B W INTERIORS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2023		100	19,727,994	19,728,094
Year ended 31 December 2023:				
Profit and total comprehensive income for the year		-	2,137,761	2,137,761
Dividends	10	-	(1,823,232)	(1,823,232)
Balance at 31 December 2023		100	20,042,523	20,042,623
Year ended 31 December 2024:				
Profit and total comprehensive income for the year		-	4,352,258	4,352,258
Dividends	10	-	(2,000,000)	(2,000,000)
Balance at 31 December 2024		100	22,394,781	22,394,881

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Company information

B W Interiors Limited ("the company") is a private company limited by shares, and is registered and incorporated in England and Wales. The registered office is 5 Old Bailey, London, EC4M 7BA.

The company's principal activities and nature of its operations are disclosed in the Strategic Report and the Directors' Report.

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

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 £.

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

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirement of Section 33 Related Party Disclosures paragraph 33.7.

B W Interiors Limited is a wholly owned subsidiary of BWI (Holdings) Limited and the results of B W Interiors Limited are included in the consolidated financial statements of BWI (Holdings) Limited which are available from its registered office 5 Old Bailey, London, EC4M 7BA.

Going concern

These financial statements have been prepared on the going concern basis.

The Group's financial position remains strong with an average cash balance of over £30m so far this year, together with undrawn bank facilities of £5m. The directors are confident, after reviewing cash flow forecasts for the period to 31 March 2026, that the Group has adequate financial resources which will enable the Company and the Group to pay their debts as they fall due for the foreseeable future.

Turnover

Turnover represents revenue recognised by the company in respect of goods sold and services supplied, exclusive of Value Added Tax and trade discounts. Revenue is recognised by reference to the stage of completion of each individual contract. The stage of completion is assessed by quantity surveyors who issue a certificate for the agreed valuation.

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software	Over 3 - 4 years
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Tangible fixed assets

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

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

Freehold land	Not depreciated
Leasehold improvements	Over life of the lease
Plant and machinery	25% - 33% straight line

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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

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, amounts owed by group undertakings, amounts owed by contract customers 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.

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Basic financial liabilities

Basic financial liabilities, including trade and other creditors (including accruals), 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors 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. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Research and development

BW is recognised for delivering high-quality commercial fit-outs across a range of sectors. Given the unique nature of many projects, we often take innovative approaches to address varying design and buildability requirements. Although some of our work aligns with industry standards, we frequently encounter complex technological challenges that require significant research and development. These challenges stem from the ambitious demands of architects, engineers, designers, and clients who push the limits of building design. Our role as Workplace Experts, is to transform these visionary ideas into reality, fostering continuous innovation to extend what's achievable. During this period, we have undertaken several research and development initiatives to overcome these challenges.

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies (Continued)

Deferred Tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either other creditors or other debtors.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key areas of accounting estimation relates to revenue recognition and construction contracts whose policies are disclosed above and the recognition of research and development tax credits as explained in note 9.

Contract works

The financial statements include amounts recoverable and payable on ongoing projects. BW estimates the stage of completion and profitability of each contract based on progress, total estimated value and total estimated costs with our assessments supported by many years of industry expertise amongst the management team.

Research and development

In line with our policy on R&D, noted on page 15, we note that there is judgement involved and the directors review each claim in conjunction with our policy, project complexity and previous experience.

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2024 £	2023 £
Turnover analysed by class of business		
Sale of services	243,979,651	200,116,267
	<u>243,979,651</u>	<u>200,116,267</u>

All the company's sales for the year and prior year arose within the United Kingdom.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2024 Number	2023 Number
Management, operations and administration	238	220
	<u>238</u>	<u>220</u>

Their aggregate remuneration comprised:

	2024 £	2023 £
Wages and salaries	25,948,547	21,983,338
Social security costs	3,168,345	2,752,096
Pension costs	920,879	821,125
	<u>30,037,771</u>	<u>25,556,559</u>

5 Directors' remuneration

	2024 £	2023 £
Remuneration for qualifying services	2,020,196	1,919,746
Company pension contributions to defined contribution schemes	24,307	33,627
	<u>2,044,503</u>	<u>1,953,373</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2023 - 4).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2024 £	2023 £
Remuneration for qualifying services	728,005	578,292
	<u>728,005</u>	<u>578,292</u>

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6	Operating profit	2024	2023
	Operating profit for the year is stated after charging:	£	£
	Depreciation of owned tangible fixed assets	455,790	375,174
	Amortisation of intangible assets	141,241	130,845
	Operating lease charges	617,973	545,868
		<u> </u>	<u> </u>
7	Auditor's remuneration	2024	2023
	Fees payable to the company's auditor and its associates:	£	£
	For audit services		
	Audit of the financial statements of the company	49,413	46,600
		<u> </u>	<u> </u>
	For other services		
	Taxation compliance services	12,225	11,450
	All other non-audit services	16,250	15,500
		<u> </u>	<u> </u>
		28,475	26,950
		<u> </u>	<u> </u>
8	Interest receivable and similar income	2024	2023
		£	£
	Interest income		
	Interest on bank deposits	157,393	-
		<u> </u>	<u> </u>
9	Taxation	2024	2023
		£	£
	Current tax		
	UK corporation tax on profits for the current period	1,838,209	846,841
	Adjustments in respect of prior periods	(68,854)	85,985
		<u> </u>	<u> </u>
	Total current tax	1,769,355	932,826
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	(198,531)	(91,989)
	Adjustment in respect of prior periods	41,223	-
		<u> </u>	<u> </u>
	Total deferred tax	(157,308)	(91,989)
		<u> </u>	<u> </u>
	Total tax charge	1,612,047	840,837
		<u> </u>	<u> </u>

B W INTERIORS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024****9 Taxation (Continued)**

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2024	2023
	£	£
Profit before taxation	5,964,305	2,978,598
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2023: 23.52%)	1,491,076	700,566
Tax effect of expenses that are not deductible in determining taxable profit	129,434	104,051
Change in unrecognised deferred tax assets	-	(61,924)
Adjustments in respect of prior years	(68,854)	85,985
Deferred tax adjustments in respect of prior years	41,223	-
Fixed asset differences	19,168	13,939
Remeasurement of deferred tax for changes in tax rates	-	(1,780)
Taxation charge for the year	1,612,047	840,837

The accounts for the year ended 31 December 2024 include a credit to operating profit of £1,000,000 under the Research and Development Expenditure Credit ("RDEC") regime in respect of the year ended 31 December 2024 (2023: £2,000,000).

10 Dividends

	2024	2023
	£	£
Interim paid	2,000,000	1,823,232

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

11 Intangible fixed assets

	Software £
Cost	
At 1 January 2024	835,352
Additions - internally developed	56,253
At 31 December 2024	<u>891,605</u>
Amortisation and impairment	
At 1 January 2024	480,699
Amortisation charged for the year	141,241
At 31 December 2024	<u>621,940</u>
Carrying amount	
At 31 December 2024	<u>269,665</u>
At 31 December 2023	<u>354,653</u>

12 Tangible fixed assets

	Freehold land £	Leasehold improvements £	Plant and machinery £	Total £
Cost				
At 1 January 2024	12,500	2,002,468	1,870,148	3,885,116
Additions	-	103,647	202,909	306,556
At 31 December 2024	<u>12,500</u>	<u>2,106,115</u>	<u>2,073,057</u>	<u>4,191,672</u>
Depreciation and impairment				
At 1 January 2024	-	1,478,558	1,606,871	3,085,429
Depreciation charged in the year	-	290,354	165,436	455,790
At 31 December 2024	<u>-</u>	<u>1,768,912</u>	<u>1,772,307</u>	<u>3,541,219</u>
Carrying amount				
At 31 December 2024	<u>12,500</u>	<u>337,203</u>	<u>300,750</u>	<u>650,453</u>
At 31 December 2023	<u>12,500</u>	<u>523,910</u>	<u>263,277</u>	<u>799,687</u>

B W INTERIORS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024**

13 Debtors		2024	2023
		£	£
Amounts falling due within one year:			
Trade debtors		24,886,600	18,307,571
Gross amounts owed by contract customers		21,492,404	20,857,445
Corporation tax recoverable		5,266,505	6,035,858
Amounts owed by group undertakings		7,511,106	9,954,593
Other debtors		461,073	364,791
Prepayments and accrued income		2,644,690	1,843,542
		<u>62,262,378</u>	<u>57,363,800</u>
Deferred tax asset (note 17)		101,806	-
		<u>62,364,184</u>	<u>57,363,800</u>
		2024	2023
		£	£
Amounts falling due after more than one year:			
Trade debtors		<u>1,242,362</u>	<u>845,273</u>
Total debtors		<u>63,606,546</u>	<u>58,209,073</u>
14 Creditors: amounts falling due within one year		2024	2023
		£	£
Trade creditors		17,613,068	7,527,569
Taxation and social security		11,381,936	3,946,598
Other creditors		201,502	179,019
Accruals and deferred income		52,791,667	36,131,046
		<u>81,988,173</u>	<u>47,784,232</u>
15 Creditors: amounts falling due after more than one year		2024	2023
		£	£
Trade creditors		<u>633,802</u>	<u>181,662</u>
16 Provisions for liabilities		2024	2023
	Notes	£	£
Deferred tax liabilities	17	<u>-</u>	<u>55,502</u>

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

17 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2024 £	Liabilities 2023 £	Assets 2024 £	Assets 2023 £
Balances:				
Accelerated capital allowances	-	93,554	(95,553)	-
Other timing differences	-	(38,052)	197,359	-
	<u>-</u>	<u>55,502</u>	<u>101,806</u>	<u>-</u>
				2024
Movements in the year:				£
Liability at 1 January 2024				55,502
Credit to profit or loss				(157,308)
Asset at 31 December 2024				<u>(101,806)</u>

18 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>920,879</u>	<u>821,125</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the year end, £189,369 (2023: £152,210) remained outstanding and is included within other creditors.

19 Share capital

	2024 Number	2023 Number	2024 £	2023 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

20 Reserves

Profit and loss reserves

Cumulative profit and loss net of distribution to owners.

B W INTERIORS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

21 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for total future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	578,702	782,226
Between one and five years	170,697	947,889
	<u>749,399</u>	<u>1,730,115</u>

22 Events after the reporting date

On 25 March 2025, 100% of the shares in the ultimate parent company were sold to an Employee Ownership Trust.

23 Ultimate controlling party

The company's immediate parent company is BWI (Holdings) Limited.

The company's ultimate parent company is BW Workplace Experts Limited.

The largest group in which the results of the company are consolidated is that headed by BW Workplace Experts Limited. The consolidated accounts of BW Workplace Experts Limited are available from its registered office 5 Old Bailey, London, EC4M 7BA.

The smallest group in which the results of the company are consolidated is that headed by BWI (Holdings) Limited. The consolidated accounts of BWI (Holdings) Limited are available from its registered office 5 Old Bailey, London, EC4M 7BA.