



Financial Statements

MTM Engineering Limited

For the financial year ended 31 December 2022

Registered number: 270239

Company Information

Directors	Thomas Mulryan (appointed 31 January 2022) Martin Mee (resigned 31 January 2022) Patricia Mee (resigned 31 January 2022) Martin Padraig Mee (resigned 31 January 2022) Eilis Mee (resigned 31 January 2022) Brendan Mee Richard Daly Sean Sweeney (resigned 31 January 2022) Donal Mac Níoclas (appointed 9 August 2022, resigned 15 August 2022) Laura Dillon (appointed 9 August 2022, resigned 15 August 2022)
Company secretary	Thomas Mulryan (appointed 31 January 2022) Patricia Mee (resigned 31 January 2022)
Registered number	270239
Registered office	Grangegeeth Slane Co. Meath C15 X751
Independent auditor	Grant Thornton Chartered Accountants & Statutory Audit Firm 13-18 City Quay Dublin 2
Bankers	Bank of Ireland Lower Baggot St Dublin 2
Solicitors	Arthur Cox Ten Earlsfort Terrace Dublin 2 Co. Dublin Ireland D02 T380

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Directors' report

For the financial year ended 31 December 2022

The directors present their annual report and the audited financial statements for the financial year ended 31 December 2022.

Principal activities and business review

The principal activity of the Company is specialised containment and cable installation, termination and testing of electrical systems. The directors have monitored the performance of the Company by reference to certain financial and non-financial key performance indicators (KPIs). The financial indicators include profitability, revenues and cash generation. Non-financial KPIs include the numbers deployed, customer satisfaction and staff turnover. The results for the financial year are in line with the directors' expectation.

Company sales decreased by 7% (2021: increased 147%) in 2022, compared with the same period in 2021, from €40,180,377 to €37,283,673. Operating profit decreased by a corresponding 6% (2021: increased 163%) from €3,827,479 to €3,596,245.

The directors are satisfied with the performance of the Company during the financial year.

Results and dividends

The profit for the financial year, after taxation, amounted to €2,968,518 (2021: €3,229,527).

The directors declared and paid a dividend of €4,630,010 (2021: €26,333) in the current year.

Directors and their interests

In accordance with Section 329 of the Companies Act 2014, the directors who served during the financial year and their beneficial shares of the Company were as follows:

	Ordinary shares of €1 each 31/12/22	Ordinary shares of €1 each 1/1/22
Martin Mee (resigned 31 January 2022)	-	0.19
Patricia Mee (resigned 31 January 2022)	-	0.19
Martin Pdraig Mee (resigned 31 January 2022)	-	0.25
Eilis Mee (resigned 31 January 2022)	-	0.25
Brendan Mee	-	0.25
Richard Daly	-	-
Sean Sweeney (resigned 31 January 2022)	-	-
Donal Mac Nioclas (resigned 15 August 2022)	-	-
Thomas Mulryan (appointed 31 January 2022)	-	-
Laura Dillon (resigned 15 August 2022)	-	-
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A director had the following interest in the share capital of the Company's parent undertaking, Project Raglan Topco Limited as at 31 December 2022.

Directors' report (continued)

For the financial year ended 31 December 2022

Directors and their interests (continued)

	Ordinary shares of €0.001 each	
	31/12/22	1/1/22
Thomas Mulryan (appointed 31 January 2022)	-	-
Martin Mee (resigned 31 January 2022)	-	-
Patricia Mee (resigned 31 January 2022)	-	-
Martin Pádraig Mee (resigned 31 January 2022)	-	-
Eilís Mee (resigned 31 January 2022)	-	-
Brendan Mee	3,796	-
Richard Daly	-	-
Sean Sweeney (resigned 31 January 2022)	-	-
Donal Mac Nioclás (resigned 15 August 2022)	-	-
Laura Dillon (resigned 15 August 2022)	-	-

Brendan Mee, Richard Daly, and Thomas Mulryan hold disclosable interest in the Company via their interest in various investor parties.

The directors and secretary who held office on 31 December 2022 held no beneficial interest in the shares of other companies except as disclosed above.

Principal risks and uncertainties

The directors consider that the principle risk and uncertainties faced by the Company and its subsidiaries are in the following categories.

Finance risk

The Company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risk.

Economic risk

The risk of increased interest rates and or inflation having an adverse impact on served markets. Our pipeline of future works is continually monitored and capacity levels understood.

Competition risk

The directors of the Company manage competition risk through monitoring our tender wins and being aware of our competitor's workloads and projects awarded.

Inflationary risk

The risk that unanticipated inflation will reduce the value of an asset or income stream. The Board and Management are monitoring inflationary data carefully to ensure any risks arising on existing income streams from increased inflation are addressed by appropriate responses in a timely manner.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at the Company's registered office at Grangegeeth, Slane, Co. Meath, C15 X751.

Directors' report (continued)

For the financial year ended 31 December 2022

Future developments

The directors are satisfied with the progress of the business and look forward to continued growth in the coming year.

Research and development activities

The Company did not engage in any research or development activities during the current or prior financial year.

Statement on relevant audit information

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 auditor is 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 auditor is aware of that information.

Branches outside the State

The Company has various branches outside the Republic of Ireland, the branches are located in the Netherlands, Denmark, Finland and Sweden.

Health and safety of employees

The wellbeing of the Company's employees is safeguarded through strict adherence to health and safety standards. Health and safety legislation imposes certain requirements on employers and the Company has taken the necessary action to ensure compliance with the legislation, including the adoption of a Safety statement.

Environmental matters

The Company seeks to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

Compliance Statement

Each of the persons who are directors at the time when this Director's report is approved acknowledge that they are responsible for securing the Company's compliance with its relevant obligations.

To ensure that the Company has achieved material compliance with its relevant obligations, the director confirms that he has:

- drawn up a compliance policy statement setting out the Company's policies respecting compliance by the company with its relevant obligations.
- put in place appropriate arrangements and structures that are designed to secure material compliance with the Company's relevant obligations.
- conduct a review, during the financial year, of the arrangements and structures referred to above.

Directors' report (continued)

For the financial year ended 31 December 2022

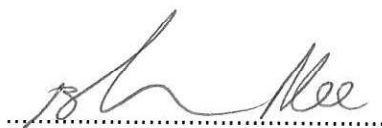
Post balance sheet events

There was no significant events affecting the Company since the financial year end, which require adjustment to or disclosure in these financial statements.

Auditor

The auditor, Grant Thornton, continues in office in accordance with section 383(2) of the Companies Act 2014.

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



Brendan Mee
Director



Thomas Mulryan
Director

Date: 20/04/23

Directors' responsibilities statement

For the financial year ended 31 December 2022

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

Irish company law requires the directors to prepare the financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Generally Accepted Accounting Practice in Ireland, including the Companies Act 2014 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

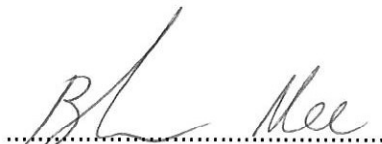
Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date, and of the profit or loss for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

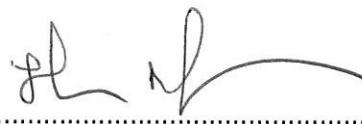
- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

On behalf of the board



Brendan Mee
Director



Thomas Mulryan
Director

Date: 20/04/23

Independent auditor's report to the members of MTM Engineering Limited

Opinion

We have audited the financial statements of MTM Engineering Limited ("the Company"), which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity for the financial year ended 31 December 2022, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and accounting standards issued by the Financial Reporting Council including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (Generally Accepted Accounting Practice in Ireland).

In our opinion, MTM Engineering Limited's financial statements:

- give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland of the assets, liabilities and financial position of the Company as at 31 December 2022 and of its financial performance for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor 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 financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accountancy Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. 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 the date 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.

Independent auditor's report to the members of MTM Engineering Limited (continued)

Other information

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

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with Generally Accepted Accounting Practice in Ireland, including FRS102, and for such internal control as they determine 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's 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 (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

Independent auditor's report to the members of MTM Engineering Limited (continued)

Responsibilities of the auditor for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with agreed scope of our engagement. 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.



Dan Holland
for and on behalf of

Grant Thornton
Chartered Accountants &
Statutory Audit Firm
13 - 18 City Quay
Dublin 2

Date: 21 April 2023

Statement of comprehensive income

For the financial year ended 31 December 2022

	Note	2022 €	2021 €
Turnover	4	37,283,673	40,180,377
Cost of sales		(28,162,098)	(31,797,071)
Gross profit		<u>9,121,575</u>	<u>8,383,306</u>
Administrative expenses		(5,530,130)	(4,654,944)
Other operating income	5	4,800	99,117
Operating profit	6	<u>3,596,245</u>	<u>3,827,479</u>
Loss from investment disposal		(49,657)	-
Interest payable and similar expenses	9	(17,593)	(13,887)
Profit before taxation		<u>3,528,995</u>	<u>3,813,592</u>
Tax on profit	10	(560,477)	(584,065)
Profit for the financial year		<u><u>2,968,518</u></u>	<u><u>3,229,527</u></u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

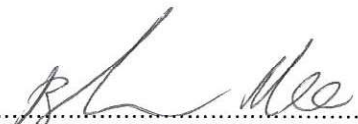
The notes on pages 12 to 26 form part of these financial statements.

Statement of financial position

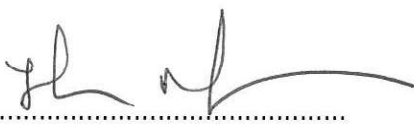
As at 31 December 2022

	Note	2022 €	2021 €
Fixed assets			
Tangible assets	12	2,616,402	2,590,456
Financial assets	13	2	271,253
Investment property	14	-	206,423
		<u>2,616,404</u>	<u>3,068,132</u>
Current assets			
Stocks	15	3,475,199	1,680,933
Debtors: amounts falling due within one year	16	6,295,729	4,885,684
Cash at bank and in hand	17	1,595,218	5,474,911
		<u>11,366,146</u>	<u>12,041,528</u>
Liabilities			
Creditors: amounts falling due within one year	18	(7,381,987)	(6,842,986)
		<u>3,984,159</u>	<u>5,198,542</u>
Net current assets			
		<u>6,600,563</u>	<u>8,266,674</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	19	-	(52,119)
		<u>6,600,563</u>	<u>8,214,555</u>
Net assets			
Capital and reserves			
Called up share capital presented as equity	21	1	1
Share premium account	22	47,500	-
Other reserves	22	(1,499,412)	(1,499,412)
Profit and loss account	22	8,052,474	9,713,966
		<u>6,600,563</u>	<u>8,214,555</u>
Shareholders' funds			

The financial statements were approved and authorised for issue by the board:



Brendan Mee
 Director



Thomas Mulryan
 Director

Date: 20/04/23

The notes on pages 12 to 26 form part of these financial statements.

Statement of changes in equity

For the financial year ended 31 December 2022

	Called up share capital	Share premium	Other reserves	Profit and loss account	Total equity
	€	€	€	€	€
At 1 January 2022	1	-	(1,499,412)	9,713,966	8,214,555
Comprehensive income for the financial year					
Profit for the financial year	-	-	-	2,968,518	2,968,518
Dividends: Equity capital (Note 11)	-	-	-	(4,630,010)	(4,630,010)
Share premium paid on shares issued during the financial year	-	47,500	-	-	47,500
At 31 December 2022	1	47,500	(1,499,412)	8,052,474	6,600,563

Statement of changes in equity

For the financial year ended 31 December 2021

	Called up share capital	Other reserves	Profit and loss account	Total equity
	€	€	€	€
At 1 January 2021	1	(1,499,412)	6,510,772	5,011,361
Comprehensive income for the financial year				
Profit for the financial year	-	-	3,229,527	3,229,527
Dividends: Equity capital	-	-	(26,333)	(26,333)
At 31 December 2021	1	(1,499,412)	9,713,966	8,214,555

The notes on pages 12 to 26 form part of these financial statements.

Notes to the financial statements

For the financial year ended 31 December 2022

1. General information

MTM Engineering Limited is a private company limited by shares and incorporated in the Republic of Ireland registered under the number 270239 with a registered office at Grangegeeth, Slane, Co. Meath. The principal activity of the Company is specialised containment and cable installation, termination and testing of electrical systems.

Details of the Company's interests in subsidiaries are contained in note 13.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and Irish statute comprising of the Companies Act 2014.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The financial statements are presented in Euro (€), which is both the Company's functional and presentational currency, and all values represent absolute amounts except when otherwise indicated.

The following principal accounting policies have been applied:

2.2 Consolidation

The Company is itself a subsidiary of Project Raglan Bidco Limited, and is exempt from the requirement to prepare group financial statements by virtue of the companies Act 2014 section 299. The consolidated financial statements of the ultimate parent company Project Raglan Topco Limited, into whom the results of this company are consolidated, are publicly available at the Companies Registration Office.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Euros (€).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Notes to the financial statements

For the financial year ended 31 December 2022

2. Accounting policies (continued)

2.3 Foreign currency translation (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosures exemptions in preparing these financial statements, as permitted by the FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash flows;
- the requirements of Section 3 Financial Statement Presentation paragraph.

This information is included in the consolidated financial statements of Project Raglan Topco Limited as at 31 December 2022 and these financial statements may be obtained from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1.

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

A construction contract's stage of completion is assessed by management by reference to a survey of work performed on the contract. Only those costs that reflect work performed are included in costs incurred to date. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised immediately in profit or loss. Variations in contract work and claims included in the contract revenue to the extent that they have been agreed with the customer and are capable of being reliably measured.

2.6 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Notes to the financial statements

For the financial year ended 31 December 2022

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.8 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

2.9 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, using the straight-line method.

Depreciation is provided straight line on the following basis:

Freehold property	- 50 years (land is not depreciated)
Plant and machinery	- 8 years
Motor vehicles	- 8 years
Fixtures and fittings	- 8 years
Office equipment	- 8 years

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 profit or loss.

Notes to the financial statements

For the financial year ended 31 December 2022

2. Accounting policies (continued)

2.10 Stocks

A construction contract's stage of completion is assessed by management by reference to a survey of work performed on the contract. Only those costs that reflect work performed are included in costs incurred to date. When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognised immediately in profit or loss. The gross amount due from customers for contract work is presented within work in progress for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. The gross amount due to customers for contract work is presented within other liabilities for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

2.11 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of comprehensive income.

2.12 Investments

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

2.13 Impairment of assets

At each reporting date the Company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

2.14 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, inclusive of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.16 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, inclusive of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements

For the financial year ended 31 December 2022

2. Accounting policies (continued)

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Notes to the financial statements

For the financial year ended 31 December 2022

2. Accounting policies (continued)

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the financial year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

When preparing financial statements, management makes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Critical management judgments in applying accounting policies

Impairment of trade and other receivables

Adequate amount of allowance is made and provided for specific Company of accounts where objective evidence of impairment exists. The Company evaluates these accounts, including, but not limited to, the length of the Company's relationship with its contracting parties, contracting parties' current credit status, average age of accounts, settlement experience and historical loss experience. The impairment allowance recognised at 31 December 2022 was €101,305 (2021: €69,949).

Recoverability of amounts due under construction contracts

The directors considered the recoverability of amounts due under construction contracts which is included in the statement of financial position at 31 December 2022 amounting to €9,122,591 (2021: €5,952,555). The directors have reviewed the relevant costs incurred to date and expected costs to completion. They have also assessed the ability of these customers to discharge their contractual obligations as they fall due. Based on these reviews, the directors are satisfied with the recoverability of balances due under construction contracts at the reporting date.

Fair value of investment property

The fair value of investment properties is estimated based on appraisals performed by the directors at each reporting date. The appraisal was carried out using a market approach that reflects observed prices for recent market transactions for similar properties and incorporates adjustments for factors specific to the property in question, including plot size, location, encumbrances and current use. The significant unobservable input is the adjustment for factors specific to the property in question. The extent and direction of this adjustment depends on the number and characteristics of the observable market transactions in similar properties that are used as the starting point for valuation. Although this input is a subjective judgment, management considers that the overall valuation would not be materially affected by reasonably possible alternative assumptions. The carrying amount of investment property at 31 December 2022 was €Nil (2021: €206,423).

Notes to the financial statements

For the financial year ended 31 December 2022

3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

Key source of estimation applied

Foreign payroll taxes

In 2022, the Company expanded its operations to other foreign jurisdictions. As a result of those foreign operations, the company has attracted potential local employment taxes during the financial year end 2022. The company is currently in the process of determining whether these potential employment taxes arising from their operations during the 2022 financial year end will be due to the local authorities. These potential liabilities are yet to be determined by the local authorities. The amounts provided for in these financial statements are best estimates of the Directors based on the facts and information available to the directors at year end.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 €	2021 €
Sales - construction contracts	37,283,673	40,180,377

Analysis of turnover by country of destination:

	2022 €	2021 €
Republic of Ireland	9,948,177	17,279,214
Rest of Europe	27,335,496	22,901,163
	<u>37,283,673</u>	<u>40,180,377</u>

5. Other operating income

	2022 €	2021 €
Net rents receivable	4,800	46,600
Investment income	-	52,517
	<u>4,800</u>	<u>99,117</u>

Notes to the financial statements

For the financial year ended 31 December 2022

6. Profit on ordinary activities before taxation

The operating profit is stated after charging:

	2022	2021
	€	€
Gain/loss on sale of assets	32,553	-
Audit fee	57,000	42,500
Depreciation of tangible fixed assets	372,330	368,407
Exchange differences	(3,156)	(2,696)
Defined contribution pension cost	238,994	305,239
Bad debts	34,385	(65,320)
	<u>34,385</u>	<u>(65,320)</u>

7. Employees

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

	2022	2021
	€	€
Wages and salaries	21,702,503	22,314,730
Cost of defined contribution scheme	238,994	305,239
	<u>21,941,497</u>	<u>22,619,969</u>

Capitalised employee costs during the financial year amounted to €NIL (2021 - €NIL).

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

	2022	2021
	No.	No.
Contract	314	246
Administration	38	38
	<u>352</u>	<u>284</u>

8. Directors' remuneration

	2022	2021
	€	€
Directors' emoluments	632,824	935,928
Cost of defined contribution pension schemes	22,324	22,947
	<u>655,148</u>	<u>958,875</u>

Other than the amounts disclosed above, any further required disclosures under section 305 and 306 of the Companies Act 2014 were €Nil for the current financial year.

Notes to the financial statements

For the financial year ended 31 December 2022

9. Interest payable and similar expenses

	2022 €	2021 €
Interest payable to credit institutions	17,593	13,887

10. Taxation

	2022 €	2021 €
Corporation tax		
Current tax on profits for the financial year	560,477	584,065
Total current tax	560,477	584,065

Factors affecting tax charge for the financial year

The tax assessed for the financial year is higher than (2021 - higher than) the standard rate of corporation tax in the Republic of Ireland of 12.5% (2021 - 12.5%). The differences are explained below:

	2022 €	2021 €
Profit on ordinary activities before tax	3,528,995	3,813,592
Profit on ordinary activities multiplied by standard rate of corporation tax in the Republic of Ireland of 12.5% (2021 - 12.5%)	441,124	476,699
Effects of:		
Expenses not deductible for tax purposes	24,089	3,678
Capital allowances for financial year/year in excess of depreciation	(15,844)	(2,879)
Higher tax at 25%	600	8,475
Finnish branch tax charge	-	2,095
Dutch branch tax charge	-	22,630
Swedish branch tax charge	53,598	219,212
Swiss branch tax charge	-	4,225
Danish branch tax charge	134,954	19,998
Italian branch tax charge	8,896	-
Israel branch tax charge	44,435	-
German branch tax charge	35,511	-
Belgium branch tax charge	28,560	-
Other timing differences	(217,484)	(170,068)
Adjustments to tax charge in respect of prior period	22,038	-
Total tax charge for the financial year	560,477	584,065

Notes to the financial statements

For the financial year ended 31 December 2022

10. Taxation (continued)

Factors that may affect future tax charges

The Company does not have any factors that may affect future tax charges.

11. Dividends

	2022 €	2021 €
Dividends paid on ordinary shares 2022: €849.23 per share (2021: €4.83)	4,630,010	26,333

12. Tangible fixed assets

	Freehold property €	Plant and machinery €	Motor vehicles €	Fixtures and fittings €	Office equipment €	Total €
Cost						
At 1 January 2022	775,209	2,195,314	984,818	266,158	98,797	4,320,296
Additions	222,076	106,580	193,690	8,770	16,383	547,499
Disposals	-	-	(195,504)	-	-	(195,504)
At 31 December 2022	997,285	2,301,894	983,004	274,928	115,180	4,672,291
Depreciation						
At 1 January 2022	80,072	891,704	623,769	110,328	23,967	1,729,840
Charge for the financial year	19,805	241,715	67,964	34,031	8,815	372,330
Disposals	-	-	(46,281)	-	-	(46,281)
At 31 December 2022	99,877	1,133,419	645,452	144,359	32,782	2,055,889
Net book value						
At 31 December 2022	897,408	1,168,475	337,552	130,569	82,398	2,616,402
At 31 December 2021	695,137	1,303,610	361,049	155,830	74,830	2,590,456

All depreciation charges are included within administration expenses in the statement of comprehensive income.

Included within freehold property assets is land valued at €Nil (2021: €16,997).

The Company has pledged the freehold property as security for its loan owed to credit institutions.

Notes to the financial statements

For the financial year ended 31 December 2022

12. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 €	2021 €
Motor vehicles	52,010	101,595
Plant and machinery	85,844	101,219
	<u>137,854</u>	<u>202,814</u>

13. Financial assets

	Investments in subsidiary companies €	Other fixed asset investments €	Total €
Cost or valuation			
At 1 January 2022	2	271,251	271,253
Disposals	-	(271,251)	(271,251)
At 31 December 2022	<u>2</u>	<u>-</u>	<u>2</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	CRO number	Registered office	Country of incorporation	Principal activity	Class of shares	Holding
MTM Engineering (Europe) Limited	606100	Grangegeeth, Slane, Co. Meath	Ireland	Contractual work on the installation of specialised sub mains cabling	Ordinary	100%

Notes to the financial statements

For the financial year ended 31 December 2022

14. Investment property

	Freehold investment property €
At 1 January 2022	206,423
Transfer of investment property to fixed assets	(206,423)
At 31 December 2022	<u><u>-</u></u>

15. Stocks

	2022 €	2021 €
Finished goods and goods for resale	<u>3,475,199</u>	<u>1,680,933</u>

Work in progress represents the value of amount recoverable on contracts in progress for work completed but not certified at the financial year end.

16. Debtors: Amounts falling due within one year

	2022 €	2021 €
Trade debtors	5,647,392	4,271,622
Other debtors	148,184	179,021
Prepayments	500,153	435,041
	<u>6,295,729</u>	<u>4,885,684</u>

Trade debtors is net of provision for doubtful accounts of €101,305 at 31 December 2022 (2021: €69,949).

17. Cash and cash equivalents

	2022 €	2021 €
Cash at bank and in hand	<u>1,595,218</u>	<u>5,474,911</u>

Notes to the financial statements

For the financial year ended 31 December 2022

18. Creditors: Amounts falling due within one year

	2022	2021
	€	€
Trade creditors	845,334	345,298
Amounts owed to group undertakings	3,547,443	3,280,568
Corporation tax	227,024	506,186
Taxation and social insurance	1,825,247	1,998,596
Obligations under finance lease and hire purchase contracts (note 20)	33,081	68,271
Other creditors	388,943	368,079
Accruals	514,915	275,988
	<u>7,381,987</u>	<u>6,842,986</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Trade and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual and customary credit terms.

Corporation tax and other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

The terms of the accruals are based on their underlying contracts.

	2022	2021
	€	€
Taxation and social insurance		
PAYE/NI control	(672,126)	(482,360)
RCT tax	(13,767)	(153,083)
Foreign payroll taxes	(1,139,354)	(1,363,153)
	<u>(1,825,247)</u>	<u>(1,998,596)</u>

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

	2022	2021
	€	€
Net obligations under finance leases and hire purchase contracts (Note 20)	<u>-</u>	<u>52,119</u>

Notes to the financial statements

For the financial year ended 31 December 2022

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 €	2021 €
Within one year	33,081	68,271
Between 1-5 years	-	52,119
	<u>33,081</u>	<u>120,390</u>

21. Share capital

	2022 €	2021 €
Authorised, allotted, called up and fully paid 5,452 Ordinary shares of €0.00025	<u>1</u>	<u>1</u>

22. Reserves

Share capital

Called up share capital represents the nominal value of shares that have been issued.

Share premium

Share premium account includes any premiums received on issue of share capital.

Profit and loss account

Profit and loss account includes all current and prior period retained profits and losses.

Other reserves

Other reserves represent the value paid by the entity to re-acquire its issued shares.

23. Pension commitments

The pension cost charge represents contributions payable by the Company to the employee's and directors' pension schemes and amounted to €238,994 (2021: €305,239). Contributions totalling €122,936 (2021: €141,755) were payable to the pension schemes at the reporting date and are included in accruals.

24. Commitments

The Company have no other commitments to disclose.

Notes to the financial statements

For the financial year ended 31 December 2022

25. Related party transactions

There were no transactions other than disclosed below, with related parties which are required to be disclosed under Financial reporting Standard 102 Section 33.

The Company advanced a total of €Nil (2021: €100,000) to a director. At year end the total amounts advanced to the directors due to the Company by the directors was €Nil (2021: €Nil).

Key management compensation during the financial year amounted to €655,148 (2021: €958,875).

26. Post balance sheet events

There was no significant events affecting the Company since the financial year end, which require adjustment to or disclosure in these financial statements.

27. Controlling party

The Company immediate parent company is Project Raglan Bidco Limited. The Company ultimate parent company is Project Raglan Topco Limited. Both companies are registered and incorporated in Ireland, with a registered office at Grangegeeth, Slane, Meath, Ireland. Project Raglan Topco Limited, to whom the results of this company are consolidated, are publicly available at the Companies Registration Office.

The Company ultimate controlling party is Waterland Private Equity Investments B.V., a company incorporated in the Netherlands.

28. Approval of financial statements

The board of directors approved these financial statements for issue on 20/04/2023.