

Registered number: 8754897

AECOM GR1 Limited

Report and Financial Statements

29 September 2023

AECOM GR1 Limited

Company Information

Directors	JL Lang DJ Price
Secretary	A Bottaro-Walklet B Taiwo
Auditor	Ernst & Young LLP 1 More London Place London United Kingdom SE1 2AF
Registered office	Aldgate Tower 2 Lemn Street London United Kingdom E1 8FA
Bankers	Bank of America 2 King Edward Street London United Kingdom EC1A 1HQ

AECOM GR1 Limited

Directors' Report

For the year ended 29 September 2023

Registered No: 8754897

The Directors present their report for the year ended 29 September 2023.

The prior period of 12 months commenced on 2 October 2021 and ceased on 30 September 2022. The current period of 12 months commenced on 1 October 2022 and ceased on 29 September 2023.

Results and dividends

The loss for the year after taxation amounted to \$555,000 (2022: loss of \$87,000). The Directors do not recommend the payment of a dividend (2022: \$nil).

Principal activity

The Company is a subsidiary of AECOM. AECOM is a leading global provider of professional infrastructure consulting services for governments, businesses and organizations throughout the world. We provide advisory, planning, consulting, architectural and engineering design, construction and program management related services, and investment and development services to public and private sector clients worldwide in major end markets such as transportation, facilities, environmental, water and new energy.

The Company acts as a parent undertaking on behalf of its ultimate parent. The results for the year are in accordance with expectations.

Financial instruments

The Company finances its activities through equity, borrowings provided by fellow group undertakings and overdrafts. Financial instruments such as inter-company debtors and creditors arise directly from the Company's operating activities. Any risks associated with financial instruments are managed and reviewed at an AECOM group level.

Review of business and future developments

The Directors anticipate that the year ahead will continue to provide opportunities to grow and strengthen the AECOM group's business. In common with 2023, growth is expected to continue to arise through a combination of local and overseas opportunities, winning and executing larger projects in partnership and collaboration with the wider AECOM group. The Directors remain committed to driving down costs and improving efficiency generally across the business.

The Directors will continue to monitor the impacts of the macroeconomic risks currently facing the Company, as well as any other principal risks and uncertainties facing the Company, and will take appropriate action as necessary to ensure the Company continues to operate as a going concern.

Directors of the Company

The Directors, who held office during the year and up to the date of this report, were as follows:

JL Lang
DJ Price

No Director has any interest in the shares of the Company or other interests that require disclosure under the Companies Act 2006.

Directors' Report (continued)

For the year ended 29 September 2023

Directors of the Company (continued)

Directors' indemnity insurance is in place for all Directors, subject to the conditions set out in section 234 of the Companies Act 2006. Such indemnity insurance remains in force as at the date of approving the Directors' report.

Post balance sheet events

The Company received a dividend of \$35,976,000 on 6 December 2023 from AECOM GR2 Limited.

Going concern

The Company has net current assets of \$31,802,000 and net assets of \$1,360,000. When performing the going concern assessment from the date of approval of the Company's financial statements through to April 16, 2025 (the 'Going Concern period'), the Board has assessed whether the Company will be able to meet its liabilities as and when they fall due.

The Board assessed the continuing impact of economic factors (including climate-related matters) affecting the UK economy through stress testing of the Company's budgets and forecasts. The stress testing has considered the Company's operational cash flow performance based upon several scenarios (including the impact of cost inflation and any potential reduction in future revenues). The Directors have also performed reverse stress testing on the cash flow forecasts with severe, but plausible scenarios. The outcome of the sensitivity analysis indicated that the Company is expected to maintain positive cash flows throughout the Going Concern period.

Although the Directors do not consider financial support to be required from the ultimate parent undertaking in order to support the going concern assessment, the Board has nevertheless obtained a written confirmation of financial support from its ultimate parent undertaking, that it will assist the Company in meeting their liabilities as and when they fall due, for the period through to April 16, 2025, 12 months from the date of approval of the Company's financial statements.

After making enquiries and considering the above points, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern period. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Small companies' exemption

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006. The Company has also taken advantage of the small companies' exemption from the requirement to prepare a strategic report.

Disclosure of information to the auditor

The Directors who were members of the Board at the time of approving the Directors' Report are listed on page 1. Having made enquiries of fellow Directors and the Company's auditor, each of these Directors confirms that:

- So far as each person who was a Director at the date of approving this report is aware, there is no information (that is information needed by the Company's auditor in connection with preparing their report) of which the Company's auditor is unaware; and
- Each Director has taken all the steps that they are obliged to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Directors' Report (continued)
For the year ended 29 September 2023

On behalf of the Board



.....
JL Lang
Director

16 April 2024

Statement of Directors' Responsibilities

For the year ended 29 September 2023

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 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; 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 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 AECOM GR1 Limited

Opinion

We have audited the financial statements of AECOM GR1 Limited for the year ended 29 September 2023, which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity, and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 29 September 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 the provisions available for small entities, in the circumstances set out in note 1 to the financial statements, 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 twelve months from when the financial statements are authorised for issue and up to 16 April 2025.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditor's Report to the Members of AECOM GR1 Limited (continued)

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the or 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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

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 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.

Independent Auditor's Report to the Members of AECOM GR1 Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

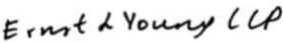
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework, Companies Act 2006, Bribery Act 2010, laws and regulations relating to health and safety and employee matters and relevant tax compliance regulations in the jurisdictions in which the Company operates.
- We understood how the Company is complying with those frameworks by enquiry with management, and by identifying the policies and procedures regarding compliance with laws and regulations. We corroborated our enquiries through our review of board minutes, compliance issues reported through a whistleblowing hotline, if any, and correspondence received from regulatory bodies.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by enquiry with management (including legal) and those charged with governance to understand where they considered there was susceptibility of fraud. As part of this, we understood the performance targets of management. We also considered the risk of management override.
- Based on this understanding, we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing manual journals and other journals identified by specific risk criteria, review of board minutes and any legal correspondence, enquiries with external legal counsel, senior management and where applicable, those charged with governance and obtaining written representations from the Directors of the Company.

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.

DocuSigned by:

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Oxana Dorrington (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: 16 April 2024

AECOM GR1 Limited

Profit and Loss Account For the year ended 29 September 2023

	Notes	2023 \$ 000	2022 \$ 000
Administrative expenses		<u>(627)</u>	<u>(97)</u>
<i>Operating loss</i>		(627)	(97)
Interest receivable and similar income	6	36,048	35,986
Interest payable and similar charges	7	<u>(35,976)</u>	<u>(35,976)</u>
<i>Loss on ordinary activities before taxation</i>		(555)	(87)
Tax on loss on ordinary activities	8	<u>-</u>	<u>-</u>
<i>Loss for the financial year</i>		<u>(555)</u>	<u>(87)</u>

All amounts relate to continuing operations.

The Company has no other recognised Comprehensive Income and therefore no separate Statement of Comprehensive Income has been presented. Total Comprehensive Income for the financial year was a loss of \$555,000 (2022: loss of \$87,000).

AECOM GR1 Limited

Statement of Changes in Equity For the year ended 29 September 2023

	Share capital \$ 000	Retained earnings \$ 000	Total equity \$ 000
At 2 October 2021	-	2,002	2,002
Total comprehensive income for the year	-	(87)	(87)
At 30 September 2022	-	1,915	1,915
	Share capital \$ 000	Retained earnings \$ 000	Total equity \$ 000
At 1 October 2022	-	1,915	1,915
Total comprehensive income for the year	-	(555)	(555)
At 29 September 2023	-	1,360	1,360

The notes on pages 12 to 24 form an integral part of these financial statements.

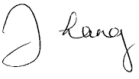
AECOM GR1 Limited

Balance Sheet At 29 September 2023

	Notes	29 September 2023 \$ 000	30 September 2022 \$ 000
Fixed assets			
Investments	9	-	-
Investments - loans to group undertakings	10	555,000	555,000
		<u>555,000</u>	<u>555,000</u>
Current assets			
Debtors	11	32,476	19,903
Cash at bank and in hand		<u>1</u>	<u>-</u>
		<u>32,477</u>	<u>19,903</u>
Creditors: amounts falling due within one year	12	<u>(675)</u>	<u>-</u>
Net current assets		<u>31,802</u>	<u>19,903</u>
Total assets less current liabilities		<u>586,802</u>	<u>574,903</u>
Creditors: amounts falling due after more than one year	13	<u>(585,442)</u>	<u>(572,988)</u>
Net assets		<u>1,360</u>	<u>1,915</u>
Capital and reserves			
Share capital	14	-	-
Retained earnings		<u>1,360</u>	<u>1,915</u>
Total equity		<u>1,360</u>	<u>1,915</u>

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

These financial statements were approved by the Board on 16 April 2024 and signed on its behalf by:


.....
JL Lang

Director

Notes to the Financial Statements At 29 September 2023

1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of AECOM GR1 Limited (the Company) for the year ended 29 September 2023 were authorised for issue by the Board on 16 April 2024 and the Balance Sheet was signed on the Board's behalf by JL Lang. The Company is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice), and in accordance with accounting standards applicable to companies subject to the small companies' regime.

The Company's financial statements are presented in US Dollars (\$), which is also the Company's functional currency, and all values are rounded to the nearest thousand dollars (\$000) except when otherwise indicated.

The Company has taken advantage of the exemption under s401 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of AECOM, a Company incorporated in the USA. Therefore, the financial statements present information about the Company as an individual undertaking and not about its group.

The results of the Company are included in the consolidated financial statements of AECOM which are available from 13355 Noel Road, Suite 400, Dallas, Texas, 75240, United States of America. This is the smallest and largest group of which the Company is a member and for which consolidated financial statements are prepared.

The principal accounting policies adopted by the Company are set out in note 3.

2 Judgements and key sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Directors have concluded that there are no material judgements or sources of estimation uncertainty in these financial statements.

(a) Impairment of investments, other receivables and amounts owed by group undertakings

The Company makes an estimate of the recoverable value of other receivables. When assessing impairment of other receivables, management considers factors including the credit rating of the receivable (where applicable), the aging profile of receivables and historical experience.

For amounts owed by group undertakings, the Company assesses recoverability at each reporting period end date using historical experience and depending on whether those receivables are due on demand (12 month expected loss allowance), or where not due on demand, whether a significant increase in credit risk has occurred since original recognition of the instrument (lifetime expected loss allowance).

Notes to the Financial Statements At 29 September 2023 (continued)

3 Significant accounting policies

3.1 Basis of preparation

These financial statements were prepared in accordance with FRS 101 and under historical cost accounting rules for all years presented, unless otherwise stated.

The accounts have been prepared on a going concern basis (see note 3.4 for further details).

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 29 September 2023.

3.2 Summary of disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- i. The requirements of IFRS 7 Financial Instruments: Disclosures;
- ii. The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- iii. The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1;
- iv. The requirements of paragraphs 10(d), 16, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- v. The requirements of IAS 7 Statement of Cash Flows;
- vi. The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- vii. The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- viii. The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is a wholly owned by such a member; and
- ix. The requirements of paragraphs 130(f)(ii) and 130(f)(iii) of IAS 36 Impairment of Assets.

Notes to the Financial Statements At 29 September 2023 (continued)

3 Significant accounting policies (continued)

3.3 New standards, amendments and IFRIC interpretations

There are no accounting standards, amendments or IFRIC interpretations that are effective for the year ended 29 September 2023 which have had a material impact on the Company.

3.4 Going concern

The Company has net current assets of \$31,802,000 and net assets of \$1,360,000. When performing the going concern assessment from the date of approval of the Company's financial statements through to April 16, 2025 (the 'Going Concern period'), the Board has assessed whether the Company will be able to meet its liabilities as and when they fall due.

The Board assessed the continuing impact of economic factors (including climate- related matters) affecting the UK economy through stress testing of the Company's budgets and forecasts. The stress testing has considered the Company's operational cash flow performance based upon several scenarios (including the impact of cost inflation and any potential reduction in future revenues). The Directors have also performed reverse stress testing on the cash flow forecasts with severe, but plausible scenarios. The outcome of the sensitivity analysis indicated that the Company is expected to maintain positive cash flows throughout the Going Concern period.

Although the Directors do not consider financial support to be required from the ultimate parent undertaking in order to support the going concern assessment, the Board has nevertheless obtained a written confirmation of financial support from its ultimate parent undertaking, that it will assist the Company in meeting their liabilities as and when they fall due, for the period through to April 16, 2025, 12 months from the date of approval of the Company's financial statements.

After making enquiries and considering the above points, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern period. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Notes to the Financial Statements At 29 September 2023 (continued)

3 Significant accounting policies (continued)

3.5 Other income and expenses

(a) Interest receivable and payable

Interest income and expense is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

When a loan or receivable is impaired, the Company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate, and continues unwinding the discount as interest income. Interest income on impaired loans and receivables is recognised using the original effective interest rate.

(b) Dividend income

Income is recognised when the Company's right to receive payment is established.

3.6 Investments

The Company has investments in subsidiaries which are carried at historical cost less accumulated impairment losses, where applicable.

The carrying values of investments are reviewed for impairment in periods when events or changes in circumstances indicate the carrying value may not be recoverable.

3.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the existence and extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the profit and loss account.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of the recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment losses been recognised for the asset or cash-generating unit in the prior years. A reversal of impairment loss is recognised immediately in the profit and loss account.

Notes to the Financial Statements At 29 September 2023 (continued)

3 Significant accounting policies (continued)

3.8 Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. Refer to note 3.13.

3.9 Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

3.10 Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply when the related asset or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited to equity if it relates to items that are charged or credited direct to equity. Otherwise income tax is recognised in the profit and loss account.

3.11 Foreign currencies

The Company's financial statements are presented in US Dollars which is also the Company's functional currency. Transactions in foreign currencies are initially recorded into the Company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date with exchange gains and losses dealt with through the profit and loss account.

Notes to the Financial Statements At 29 September 2023 (continued)

3 Significant accounting policies (continued)

3.11 Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

3.12 Trade and other debtors

Other debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is not material, receivables are carried at amortised cost.

Amounts owed by group undertakings are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is not material, receivables are carried at amortised cost. To measure the expected credit losses, the Company assesses recoverability at each reporting period end date using historical experience and depending on whether those receivables are due on demand (12 month expected loss allowance), or where not due on demand, whether a significant increase in credit risk has occurred since original recognition of the instrument (lifetime expected loss allowance).

3.13 Financial instruments

(a) Financial assets

Recognition and measurement

Financial assets within the scope of IFRS 9 are classified as financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income, or financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired. The Company recognises financial assets in the balance sheet when, and only when, it becomes party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

The Company's financial assets include cash and amounts owed by group undertakings. All financial assets are recognised initially at fair value plus directly attributable transaction costs, then subsequently measured at amortised cost using the effective interest rate (EIR) method, less any impairment, or at fair value.

As the Company's financial assets are all held within a business model whose objective is to collect the contractual cash flows and the contractual terms give rise to cash flows that are solely payments of principal and interest, all are classified as financial assets at amortised cost.

Financial assets are classified as due in greater than one year based on their repayment terms.

Notes to the Financial Statements At 29 September 2023 (continued)

3 Significant accounting policies (continued)

3.13 Financial instruments (continued)

Derecognition

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the asset expire;
- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the asset are transferred; or
- the Company neither retains nor transfers substantially all of the risks and rewards of ownership and it does not retain control of the asset.

(b) Financial liabilities

Recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or financial liabilities at amortised cost. The Company recognises financial liabilities in the balance sheet when, and only when, it becomes party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

The Company's financial liabilities include trade creditors and amounts owed to group undertakings. All financial liabilities are recognised initially at fair value, plus directly attributable transaction costs, then subsequently measured at amortised cost using the effective interest method.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

(c) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3.14 Cash and cash equivalents

Cash comprises cash on hand and on demand deposits.

4 Auditor's remuneration

Auditors' remuneration for the audit of the financial statements of the Company of \$10,000 (2022: \$8,000) has been borne by a fellow group undertaking in the year.

Fees of \$nil (2022: \$nil) in relation to non-audit services for tax compliance.

Notes to the Financial Statements
At 29 September 2023 (continued)

4 Auditor's remuneration (continued)

5 Staff costs and Directors' remuneration

The Company has no employees (2022: no employees).

Directors' remuneration is borne by other companies within the AECOM group and not specifically recharged. The Directors do not consider it is practicable to allocate remuneration received between qualifying services provided to the Company and other services provided to the AECOM group of companies.

6 Interest receivable and similar income

	2023 \$ 000	2022 \$ 000
Interest receivable from group undertakings	72	10
Dividends accrued on preference shares	35,976	35,976
	<u>36,048</u>	<u>35,986</u>

7 Interest payable and similar expenses

	2023 \$ 000	2022 \$ 000
Interest payable to group undertakings	35,976	35,976

Notes to the Financial Statements
At 29 September 2023 (continued)

8 Taxation

(a) Tax charged or (credited) in the profit and loss account

The tax charge/ (credit) is made up as follows:

	2023 \$ 000	2022 \$ 000
<i>Current income tax:</i>		
UK corporation tax	-	-
Total current income tax	-	-
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	-	-
Amounts underprovided/ (overprovided) in previous years	-	-
Impact of change in tax laws and rates	-	-
Total deferred tax	-	-
<i>Tax expense/ (income) in the profit and loss account</i>	-	-

(b) Reconciliation of the total tax charge/ (credit)

The tax charge on the loss for the year differs from the standard rate of corporation tax in the UK (2023: 19% for the period from 1 October 2022 to 31 March 2023 and 25% for the period from 1 April 2023 to 29 September 2023, and 2022: 19%). The differences are explained below:

	2023 \$ 000	2022 \$ 000
Loss from continuing activities before tax	(555)	(87)
Loss multiplied by standard rate of corporation tax in the UK (2023: blended rate of 22%, and 2022: 19%)	(122)	(17)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	148	-
Income not taxable	(7,915)	(6,835)
Group relief surrendered for nil payment	7,889	6,852
Total tax expense/ (income) reported in the profit and loss account	-	-

Deferred tax assets not recognised amounts to \$3,075,000 (2022: \$3,075,000). These assets do not have an expiry date, and relate to carried forward losses and interest expense.

AECOM GR1 Limited

Notes to the Financial Statements At 29 September 2023 (continued)

8 Taxation (continued)

(c) Factors affecting future tax charges

The UK corporation tax rate increased to 25%, from 19%, on 1 April 2023. This change is reflected in these financial statements.

9 Investments

(a) Subsidiaries

	\$ 000
Cost:	
At 30 September 2022	-
At 29 September 2023	-
Provision for impairment:	
At 30 September 2022	-
At 29 September 2023	-
Net book value:	
At 29 September 2023	-
At 30 September 2022	-

Details of the subsidiaries held as at 29 September 2023 are as follows:

Name of subsidiary	Principal activity	Registered address	Proportion of ownership interest and voting rights held	
			2023	2022
AECOM GR2 Limited	Provide finance to other group undertakings	Aldgate Tower 2 Lemn Street. London United Kingdom E1 8FA	100%	100%

AECOM GR1 Limited

Notes to the Financial Statements At 29 September 2023 (continued)

9 Investments (continued)

(a) Subsidiaries (continued)

The Directors believe that the carrying values of investments at 29 September 2023 is supported by their underlying net assets, or value in use. In measuring value in use, the discount rate used reflects current assessments of the time value of money and the risks specific to the asset.

10 Investments - loans to group undertakings

	29 September 2023 \$ 000	30 September 2022 \$ 000
Amounts owed by group undertakings	555,000	555,000
	<u>555,000</u>	<u>555,000</u>

Loans to group undertakings owed by its subsidiary, comprise redeemable preference shares classified as financial assets of \$555,000,000. The preference shares accrue dividends on a cumulative basis at 6.5% per annum. The shares are expected to be redeemed on 1 April 2027.

11 Debtors

	29 September 2023 \$ 000	30 September 2022 \$ 000
Amounts owed by group undertakings	32,476	19,517
Other debtors	-	386
	<u>32,476</u>	<u>19,903</u>

Amounts owed by group undertakings above represent balances owed by fellow AECOM entities that are wholly owned subsidiaries of the ultimate parent undertaking

Other amounts owed by group undertakings are unsecured, bear no interest and are repayable on demand.

Other debtors comprises amounts relating to tax losses that have been, or will be, surrendered to group and related party undertakings under standard group relief provisions.

AECOM GR1 Limited

Notes to the Financial Statements At 29 September 2023 (continued)

12 Creditors: amounts falling due within one year

	29 September 2023 \$ 000	30 September 2022 \$ 000
Accruals and deferred income	675	-
	<u>675</u>	<u>-</u>

There are no financial liabilities held at fair value through profit and loss account (2022: nil).

Amounts owed to group undertakings in the prior year above represented balances owed to fellow AECOM entities that are wholly owned subsidiaries of the ultimate parent undertaking.

13 Creditors: amounts falling due after more than one year

	29 September 2023 \$ 000	30 September 2022 \$ 000
Amounts owed to group undertakings	585,442	572,988
	<u>585,442</u>	<u>572,988</u>

Amounts owed to group undertakings above represent balances owed to fellow AECOM entities that are wholly owned subsidiaries of the ultimate parent undertaking. A loan of \$555,000,000 was provided to the Company by its subsidiary on 30 October 2013. The loan is unsecured and is repayable on 1 April 2027. Interest is payable quarterly at 6.5%.

14 Share capital

Allotted, called up and fully paid shares

	29 September 2023		30 September 2022	
	No.	\$	No.	\$
Ordinary shares of \$1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

The Ordinary shares rank equally in terms of rights to vote, dividend entitlement, and rights on winding up.

There are no restrictions on the distribution of dividends or the repayment of capital. Any dividends declared are at the discretion of the Directors.

Notes to the Financial Statements **At 29 September 2023 (continued)**

15 Related party transactions

During the year the Company entered into transactions in the ordinary course of business, with related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

During the year, the Company received \$386,000 (2022: \$827,000) in respect of group relief surrendered from Joint Ventures of AECOM.

16 Ultimate parent undertaking and controlling party

The Company's immediate parent is AECOM Intercontinental Holdings UK Limited, incorporated in England and Wales.

The Company's ultimate parent undertaking is AECOM which is incorporated in the United States of America. The Company's results are included within the consolidated financial statements of AECOM which are publicly available from 13355 Noel Road, Suite 400, Dallas, Texas, 75240, United States of America.

17 Post balance sheet events

The Company received a dividend of \$35,976,000 on 6 December 2023 from AECOM GR2 Limited.