

**Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2024  
for  
Addison Project plc**

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for the Year Ended 31 December 2024**

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**Addison Project plc**

**Company Information  
for the Year Ended 31 December 2024**

**DIRECTORS:** Mr M A Addison  
Addison Service Company Limited

**SECRETARY:** Mr M A Addison

**REGISTERED OFFICE:** Hillhouse Business Park  
Bourne Road  
THORNTON CLEVELEYS  
Lancashire  
FY5 4QD

**REGISTERED NUMBER:** 03300272 (England and Wales)

**AUDITORS:** Ashworth Treasure Limited  
Statutory Auditors  
17-19 Park Street  
Lytham  
Lancashire  
FY8 5LU

**BANKERS:** Lloyds Bank Plc  
30 Corporation Street  
Blackpool  
FY1 3EN

**Strategic Report  
for the Year Ended 31 December 2024**

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

**REVIEW OF BUSINESS**

**Principal activities and business review**

Addison Project plc has become one of the UK's leading independent providers of engineering services, supplying project & construction management, multi-disciplined design and day to day technical engineering support services. We celebrated our 25th Anniversary in 2022 and operate nationally from our main offices situated in Lancashire, Cheshire and Teesside and have a sales office in North London.

We offer the full range of "cradle to grave" engineering project management and support services. Our contracts range from hundreds of pounds for some minor drawing updates, to providing engineering resources on client premises, project feasibility and costing studies, through to plant modifications and de-bottlenecking projects, all the way up to managing and performing the role of principal contractor, executing turn-key projects in excess of £120M.

Our in-house engineering services include; project, construction and SHE management, process engineering, engineering design for instrument, electrical, mechanical, piping, civil and structural. We offer a full range of CDM services including undertaking the roles of principal designer and principal contractor and complete full EPCM contracts including a professional procurement service.

We recognise that our people are our strongest asset. We identify, nurture and train talent and employ only the very best staff available. We consistently produce highly motivated, talented and disciplined engineers who add value to our company.

The company is ISO9001 accredited and in 2024 we were delighted to achieve the RoSPA Order of Distinction Award for an outstanding performance in Health and Safety over a period of 25 years.

The company operates from three main offices, Hillhouse Business Park (Lancashire), Daresbury (Cheshire), Middlesbrough (Teesside) and very recently in 2025 the business has opened a fourth office in Harlow (Essex). This was due to customer demand from the southern regions of the UK and will improve our customer service levels and response times to clients in these locations. Furthermore, the business is actively looking for a premises for a fifth office. The company has identified two regions which we intend to open in 2026 to support the business's growth strategy.

Turnover for the year ended 31 December 2024 was £19m compared to £16m in the previous financial year. The company generated profits from continuing operations of £1,657,490 (2023: £1,239,498).

The company maintained a strong cash position throughout the year with cash funds of £5.4m (2023: £3.5m) and no bank borrowings.

Overall, the directors are satisfied with the state of the company's affairs and expect continued growth of activity for the ensuing year.

**Key performance indicators**

Profit Margins

Gross profit margins have decreased by 1% from 16.6% in 2023 to 15.6% in the current year. Margins on profit before taxation have increased by 1.1% from 7.8% in 2023 to 8.9% in 2024.

Debtor Days and Creditor Days

Average debtor days are 46 days (2023: 63 days) and average creditor days are 45 days (2023:47 days) which is in line with company expectations.

Cost Management

We are cost aware and carefully manage our own and our customers' costs. We manage financial risk systematically and will forecast and communicate financial performance in a clear, concise and timely manner, allowing the opportunity to affect change and manage costs. Our company is committed to equipping our engineers with the very latest techniques in computer software and technology, with the objective to make us highly efficient and achieve the best quality in everything what we do.

**Strategic Report  
for the Year Ended 31 December 2024**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principle external factors facing the company arise from the competitive market in which we operate and our client's appetite and requirement for investment and expansion.

The overriding business strategy is to provide our customers with exceptional and class leading levels of customer service at a consistent and acceptable price, which our customers can trust. We apply family values and principles to business, to achieve extraordinary results in a sustainable way and always go over and above to serve our client's best interests. This approach has helped us maintain strong customer relationships and as we work hard to make our own customer's businesses become more successful, this in turn reciprocates and rewards us with future business as they expand.

We keep abreast of the latest technologies to achieve a high-quality service, maintain our competitive edge and continually improve efficiency, to maximize profit in a changing and challenging market. We then reinvest a significant proportion the profit back into the company, to continuously improve every aspect of the business, as we expand in line with our strategy for growth. The company maintains a strategy of strong management, leadership and training which enables the company to react quickly to changes in the business environment.

For the year 2024, we have seen mixed results from our regular clients. Some of our longstanding customers have suffered from the effects of Brexit and high energy costs, resulting from the war in Ukraine. Chinese low-cost imports have also been cited as the reason why our clients have suffered, some ceasing to produce product altogether, stating they cannot buy in the raw materials for the sell price of the finished product from China.

This has led us to refocus and transition the business into other market sectors, such as energy production, pharmaceutical and food and beverage industries, which have largely been unaffected by these forces and demand for these products and services remains very strong. Whilst there has been some learning and investment required from the company to get up to speed in these new sectors, we have managed to make real traction in these areas. This has protected our overall turnover and profits from being too affected, understanding and accepting the natural declines and downturns from our traditional and longstanding clients. We are also mindful that we need to choose the clients which we engage with carefully, taking time to assess these companies, so that there is a good fit and they meet our criteria and compatibility test.

Many clients faced staff retention issues in 2024 due to a shrinking engineering talent pool. Pay rates have surged beyond inflation as employees switch jobs, necessitating the rebuilding of client relationships and contacts, which is time-consuming and costly.

Operating in a niche field with limited engineering resources makes attracting and retaining high quality staff a challenge. Training and development are crucial for motivating and advancing our employees' careers, which enhances job satisfaction. Despite facing similar challenges as our clients, we have maintained good employee retention which has been supported by the Addison Academy. However, increasing pay and adding benefits have raised costs and impacted profit margins.

The management team have created a modern, ambitious, forward-thinking company which is an enjoyable place to work. With loyal and committed employees, who act as a team, with a clear focus and vision of achieving the company's 5-year strategic business plan. They are encouraged and challenged to create success, growth and profitability for the company. Once the traditional clients and sectors come back and invest, combined with our new sector growth, we are well positioned to capitalise and expand our business to support a wider UK industry, which will see the business open up further offices in new locations across the country.

Very recently in April 2025, a day which US President Donald Trump called 'Liberation Day', the business outlook ahead suffered a major confidence blow, resulting from newly emerged global tariffs. The business in the main features very heavily on new investment projects, plant improvements and growth and expansion projects required from our customers. When our customers have low confidence in their markets, this severely affects their desire and willingness to invest and expand.

Several of our customers are already facing challenges as the tariffs are being applied across the globe. This is resulting in significantly lower confidence and we are already seeing investment projects being put on hold or cancelled altogether from some of our existing customers, which directly affects the company. This unprecedented action by the US president has caught a number of our clients off guard and the business is very aware this presents a significant risk. Subsequently the company is already exploring repositioning resources into new market sectors, to protect turnover and profit. Undoubtedly this move will take time to establish, but we have already started seeking out customers who are not heavily impacted by President Trump's tariffs.

**Strategic Report  
for the Year Ended 31 December 2024**

**SECTION 172(1) STATEMENT**

The Board has acted in a way that promotes the success of the Company for the benefit of its members as a whole, in accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations 2018, whilst having regard to the following matters set out in s.172 (1) of the Act:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers, and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards and business conduct; and
- the need to act fairly as between the members of the Company.

The company understands that it is important for the business at all levels, including the Board, to engage with its shareholders and wider stakeholder groups. By engaging with our stakeholders, we gain better understanding of what areas they are concerned about and also how our decisions have impacted them.

Healthy engagement with our stakeholders underpins our governance framework, which is embedded throughout our business and helps to ensure we maintain high standards of business conduct.

**STAKEHOLDER ENGAGEMENT**

Stakeholder engagement plays an important part of our day to day operations. The Board is kept apprised of the feedback received and collectively or individually.

The company is engaged with its stakeholders throughout the year as follows:

Shareholders

- Board meetings were held on a regular basis to ensure that all Directors are aware of, and have a clear understanding of, the view of major shareholders.

Employees

- The company is committed to employment policies which follow best practice and are based on equal opportunities for all employees, irrespective of gender, religion or belief, age, racial or ethnic origin, sexual orientation or disability.

Customers

- We place customers at the heart of everything we do and focus on delivering excellent project quality, robust policies and resolving any customer problems quickly and efficiently.
- Our customer care team is available to answer queries throughout the customer journey.
- Customers are encouraged to give feedback to help us understand their customer experience.

Subcontractors and supply chain

- We work closely with our sub-contractors and supply chain to ensure their products meet both our needs and standards.
- We engage with our sub-contractors and suppliers and notify them of any new working protocols that they would need to comply with in order to safeguard themselves, our employees, customers and the general public.

**GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY**

Greenhouse gas emissions are reported in line with the UK Government's 'Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance' (dated March).

In line with the revised Greenhouse Gas Reporting Protocol, the company reports the sources of greenhouse gas emissions from its main activities, categorised as scope 1, 2 and 3 emissions. Scope 1 comprises direct emissions from sources controlled by the company such as red diesel and natural gas on construction sites and in our offices. Scope 2 comprises indirect emissions associated with the consumption of energy from purchased electricity. Scope 3 relates to other indirect emissions.

<b>Scope</b>	<b>Measure</b>	<b>2023/24</b>	<b>2022</b>
Scope 1	tCO <sub>2</sub> e	58	-
Scope 2	tCO <sub>2</sub> e	12	-
Total Scope 1 & Scope 2	tCO <sub>2</sub> e	70	-
Energy Consumption	MWh	13,034	13,861
Carbon Intensity	tCO <sub>2</sub> e	93,942	108,365
Scope 3	tCO <sub>2</sub> e	462	-
Total Scope 1,2 & 3	tCO <sub>2</sub> e	532	-

**Addison Project plc (Registered number: 03300272)**

**Strategic Report  
for the Year Ended 31 December 2024**

**FUTURE OUTLOOK**

Despite current economic forecasts, sales since the year end have remained strong.

**ON BEHALF OF THE BOARD:**

Mr M A Addison - Director

26 June 2025

**Addison Project plc (Registered number: 03300272)**

**Report of the Directors  
for the Year Ended 31 December 2024**

The directors present their report with the financial statements of the company for the year ended 31 December 2024.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the construction and design of plant.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2024.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2024 to the date of this report.

Mr M A Addison  
Addison Service Company Limited

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Ashworth Treasure Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mr M A Addison - Director

26 June 2025

## **Report of the Independent Auditors to the Members of Addison Project plc**

### **Opinion**

We have audited the financial statements of Addison Project plc (the 'company') for the year ended 31 December 2024 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

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

## **Report of the Independent Auditors to the Members of Addison Project plc**

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page six, 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 necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditors' responsibilities for the audit of the financial statements**

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the business sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including legislation such as Companies Act, taxation legislation, environmental and health and safety legislation etc.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team maintained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journals to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- 

investigated the rationale behind significant or unusual transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of  
Addison Project plc**

**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 a Report of the Auditors 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.

Anthony Cooney (Senior Statutory Auditor)  
for and on behalf of Ashworth Treasure Limited  
Statutory Auditors  
17-19 Park Street  
Lytham  
Lancashire  
FY8 5LU

26 June 2025

**Addison Project plc (Registered number: 03300272)**

**Income Statement  
for the Year Ended 31 December 2024**

	Notes	2024 £	2023 £
<b>TURNOVER</b>	5	18,606,533	15,976,590
Cost of sales		<u>15,707,141</u>	<u>13,331,508</u>
<b>GROSS PROFIT</b>		2,899,392	2,645,082
Administrative expenses		<u>1,802,611</u>	<u>1,868,193</u>
		1,096,781	776,889
Other operating income		<u>381,126</u>	<u>364,247</u>
<b>OPERATING PROFIT</b>	7	1,477,907	1,141,136
Interest receivable and similar income		<u>180,102</u>	<u>100,018</u>
		1,658,009	1,241,154
Interest payable and similar expenses	8	<u>519</u>	<u>1,656</u>
<b>PROFIT BEFORE TAXATION</b>		1,657,490	1,239,498
Tax on profit	9	<u>435,033</u>	<u>232,670</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>1,222,457</u>	<u>1,006,828</u>

The notes form part of these financial statements

Addison Project plc (Registered number: 03300272)

**Other Comprehensive Income  
for the Year Ended 31 December 2024**

	Notes	2024 £	2023 £
<b>PROFIT FOR THE YEAR</b>		1,222,457	1,006,828
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>1,222,457</u>	<u>1,006,828</u>

The notes form part of these financial statements

**Addison Project plc (Registered number: 03300272)**

**Balance Sheet  
31 December 2024**

	Notes	2024 £	£	2023 £	£
<b>FIXED ASSETS</b>					
Tangible assets	10		2,511,308		2,536,971
<b>CURRENT ASSETS</b>					
Debtors	11	4,429,834		5,165,129	
Investments	12	5,061,055		4,072,810	
Cash at bank and in hand		<u>5,412,018</u>		<u>3,547,663</u>	
		14,902,907		12,785,602	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>7,812,941</u>		<u>6,938,475</u>	
<b>NET CURRENT ASSETS</b>			<u>7,089,966</u>		<u>5,847,127</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			9,601,274		8,384,098
<b>PROVISIONS FOR LIABILITIES</b>	15		<u>594,573</u>		<u>599,854</u>
<b>NET ASSETS</b>			<u>9,006,701</u>		<u>7,784,244</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		12,500		12,500
Retained earnings	17		<u>8,994,201</u>		<u>7,771,744</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>9,006,701</u>		<u>7,784,244</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26 June 2025 and were signed on its behalf by:

Mr M A Addison - Director

Addison Project plc (Registered number: 03300272)

**Statement of Changes in Equity  
for the Year Ended 31 December 2024**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2023</b>	12,500	6,764,916	6,777,416
<b>Changes in equity</b>			
Total comprehensive income	-	1,006,828	1,006,828
<b>Balance at 31 December 2023</b>	<u>12,500</u>	<u>7,771,744</u>	<u>7,784,244</u>
<b>Changes in equity</b>			
Total comprehensive income	-	1,222,457	1,222,457
<b>Balance at 31 December 2024</b>	<u>12,500</u>	<u>8,994,201</u>	<u>9,006,701</u>

The notes form part of these financial statements

**Cash Flow Statement  
for the Year Ended 31 December 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,092,294	1,093,167
Interest paid		(519)	(1,656)
Tax paid		(212,078)	(360,488)
Net cash from operating activities		<u>1,879,697</u>	<u>731,023</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(212,731)	(337,756)
Sale of tangible fixed assets		17,287	4,000
Interest received		180,102	100,018
Net cash from investing activities		<u>(15,342)</u>	<u>(233,738)</u>
<b>Increase in cash and cash equivalents</b>		<u>1,864,355</u>	<u>497,285</u>
<b>Cash and cash equivalents at beginning of year</b>	2	3,547,663	3,050,378
<b>Cash and cash equivalents at end of year</b>	2	<u>5,412,018</u>	<u>3,547,663</u>

Notes to the Cash Flow Statement  
for the Year Ended 31 December 2024

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2024	2023
	£	£
Profit before taxation	1,657,490	1,239,498
Depreciation charges	184,522	149,411
Loss on disposal of fixed assets	36,585	10,189
Provisions	-	(300,000)
Finance costs	519	1,656
Finance income	<u>(180,102)</u>	<u>(100,018)</u>
	1,699,014	1,000,736
Increase in trade and other debtors	(252,950)	(1,742,214)
Increase in trade and other creditors	<u>646,230</u>	<u>1,834,645</u>
<b>Cash generated from operations</b>	<u><u>2,092,294</u></u>	<u><u>1,093,167</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2024**

	31.12.24	1.1.24
	£	£
Cash and cash equivalents	<u>5,412,018</u>	<u>3,547,663</u>

**Year ended 31 December 2023**

	31.12.23	1.1.23
	£	£
Cash and cash equivalents	<u>3,547,663</u>	<u>3,050,378</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.24	Cash flow	At 31.12.24
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>3,547,663</u>	<u>1,864,355</u>	<u>5,412,018</u>
	<u>3,547,663</u>	<u>1,864,355</u>	<u>5,412,018</u>
<b>Liquid resources</b>			
Current asset investments	<u>4,072,810</u>	<u>988,245</u>	<u>5,061,055</u>
	<u>4,072,810</u>	<u>988,245</u>	<u>5,061,055</u>
<b>Total</b>	<u><u>7,620,473</u></u>	<u><u>2,852,600</u></u>	<u><u>10,473,073</u></u>

**Notes to the Financial Statements  
for the Year Ended 31 December 2024**

**1. STATUTORY INFORMATION**

Addison Project plc is a private company, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Estimated useful lives and residual values of fixed assets**

Depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

**Provisions**

Provisions are an amount set aside to cover a probable future expense, or reduction in the value of an asset. Examples of provisions include accruals, asset impairments, bad debts, depreciation, doubtful debts, taxes, inventory obsolescence, pension, restructuring liabilities and sales allowances.

Often provision amounts need to be estimated. Provisions are recorded as a current liability on the balance sheet and then matched to the appropriate expense account in the profit and loss account.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from engineering consultancy services and principle design across a range of disciplines is measured by reference to the stage of completion of the project.

**Tangible fixed assets**

Fixed assets are measured at cost less accumulated depreciation. Depreciation is calculated to write down the cost of tangible fixed assets to their estimated residual values over their expected useful lives, at the following annual rates:-

Freehold property	2% - on cost
Plant and machinery	10% - on reducing balance
Fixtures and fittings	25% - on reducing balance
Motor vehicles	25% - on reducing balance

Tangible assets are initially recorded at cost, and subsequently stated at cost less and accumulated depreciation and impairment losses.

**Financial instruments**

The following assets and liabilities are classified as financial instruments - trade debtors, trade creditors, other loans and inter-group balances.

Inter-group balances (being repayable on demand), trade debtors, trade creditors and other loans are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets are assessed at the end of each reporting period for objective evidence of impairment and if applicable recognised as appropriate.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2024**

**3. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Long term contracts**

When the outcome of an individual contract can be foreseen with reasonable certainty and can be estimated reliably, margin is recognised by reference to the stage of completion, based on the lower of the percentage margin earned to date and that prudently forecast at completion. This is after the deduction of any foreseeable losses and applicable payments on account.

Operating profit is stated after attributable profit on long term contracts completed and amounts recoverable on contracts uncompleted, the latter also being included within debtors due within one year.

**Current asset investments**

Investments held as current assets are stated at fair value less any provisions for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairments are calculated such that the carrying value of the current asset investment is the lower of its cost or recoverable amount. Recoverable amount is the higher of its net realisable value and its value in use. Changes in fair value are taken to the profit and loss account.

**4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

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

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

The key judgements and sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

**Long term contract outturn and potential impact on revenue and profit recognition**

Management determine this by using their professional judgement and their bespoke computer software. Work-in-progress and sales in advance are calculated from job information sheets which are supported by labour timesheets and materials purchase invoices.

**Actual and potential contract claims including post contract completion claims**

Management determine this by using their professional judgement and their bespoke computer software. Management reviews each project where there are known issues and consider the provision required. Forecast losses are identified from detailed project forecasts.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2024

5. **TURNOVER**

The company operates in the UK and the whole of the turnover is to the UK market.

6. **EMPLOYEES AND DIRECTORS**

	2024	2023
	£	£
Wages and salaries	<u>3,190,728</u>	<u>2,435,221</u>

The average number of employees during the year was as follows:

	2024	2023
Management and administration	12	11
Project design and construction	<u>53</u>	<u>38</u>
	<u>65</u>	<u>49</u>

	2024	2023
	£	£
Directors' remuneration	<u>8,160</u>	<u>8,160</u>

7. **OPERATING PROFIT**

The operating profit is stated after charging:

	2024	2023
	£	£
Depreciation - owned assets	184,522	149,411
Loss on disposal of fixed assets	36,585	10,189
Auditors' remuneration	10,000	10,000
Auditors' remuneration for non audit work	<u>6,683</u>	<u>15,842</u>

8. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2024	2023
	£	£
Bank interest	-	1,656
Other interest	<u>519</u>	<u>-</u>
	<u>519</u>	<u>1,656</u>

9. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2024	2023
	£	£
Current tax:		
UK corporation tax	440,314	194,673
Deferred tax	<u>(5,281)</u>	<u>37,997</u>
Tax on profit	<u>435,033</u>	<u>232,670</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2024

9. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2024 £	2023 £
Profit before tax	<u>1,657,490</u>	<u>1,239,498</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 25%)	414,373	309,875
Effects of:		
Expenses not deductible for tax purposes	3,255	8,649
Income not taxable for tax purposes	-	(75,000)
Adjustments to tax charge in respect of previous periods	17,405	-
Non qualifying asset additions	-	3,494
Superdeduction tax rate	-	(380)
Effect of change in tax rate	-	(13,968)
Total tax charge	<u>435,033</u>	<u>232,670</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 January 2024	2,503,007	1,062,266	159,111	365,168	4,089,552
Additions	25,468	81,198	7,345	98,720	212,731
Disposals	-	(106,730)	(3,612)	(35,162)	(145,504)
At 31 December 2024	<u>2,528,475</u>	<u>1,036,734</u>	<u>162,844</u>	<u>428,726</u>	<u>4,156,779</u>
<b>DEPRECIATION</b>					
At 1 January 2024	749,942	588,857	72,968	140,814	1,552,581
Charge for year	50,357	51,880	22,417	59,868	184,522
Eliminated on disposal	-	(70,222)	(3,250)	(18,160)	(91,632)
At 31 December 2024	<u>800,299</u>	<u>570,515</u>	<u>92,135</u>	<u>182,522</u>	<u>1,645,471</u>
<b>NET BOOK VALUE</b>					
At 31 December 2024	<u>1,728,176</u>	<u>466,219</u>	<u>70,709</u>	<u>246,204</u>	<u>2,511,308</u>
At 31 December 2023	<u>1,753,065</u>	<u>473,409</u>	<u>86,143</u>	<u>224,354</u>	<u>2,536,971</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	2,815,499	3,167,824
Amounts recoverable on contracts	1,269,380	1,705,948
Other debtors	49,454	22,930
Prepayments and accrued income	295,501	268,427
	<u>4,429,834</u>	<u>5,165,129</u>

12. CURRENT ASSET INVESTMENTS

	2024 £	2023 £
Listed investments	<u>5,061,055</u>	<u>4,072,810</u>
Market value of listed investments at 31 December 2024 - £ 5,061,055 (2023 - £ 4,072,810 ).		

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2024

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	1,795,077	1,580,239
Corporation Tax	422,909	194,673
Social security and other taxes	78,305	61,996
VAT	481,793	273,767
Other creditors	4,653,528	4,430,892
Other loan	-	88,454
Accruals and deferred income	176,543	251,707
Accrued expenses	204,786	56,747
	<u>7,812,941</u>	<u>6,938,475</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	198,712	165,247
Between one and five years	57,772	6,754
	<u>256,484</u>	<u>172,001</u>

15. PROVISIONS FOR LIABILITIES

	2024	2023
	£	£
Deferred tax		
Accelerated capital allowances	<u>594,573</u>	<u>599,854</u>

	Deferred tax
	£
Balance at 1 January 2024	599,854
Credit to Income Statement during year	(5,281)
Balance at 31 December 2024	<u>594,573</u>

16. CALLED UP SHARE CAPITAL

Allotted and issued:			2024	2023
Number:	Class:	Nominal value:	£	£
50,000	Ordinary shares 1/4 paid up	£1	<u>12,500</u>	<u>12,500</u>

17. RESERVES

	Retained earnings
	£
At 1 January 2024	7,771,744
Profit for the year	1,222,457
At 31 December 2024	<u>8,994,201</u>

18. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £382,132 (2023: £290,557).

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2024

19. RELATED PARTY DISCLOSURES

Addison Engineering Company (Hillhouse) Limited, Addison Engineering Company (Blackpool) Limited and Addison Academy Limited are companies where Mr M A Addison was the majority shareholder. Therefore, Addison Engineering Company (Hillhouse) Limited, Addison Engineering Company (Blackpool) Limited, and Addison Academy Limited are all related parties by virtue of common control.

The following transactions were undertaken during the year.

			2024	2023
Name	£	£		
		Description		
Addison Engineering Company (Blackpool) Limited		Sales	63,487	224,538
		Purchases	266,509	37,250
		Management fee	18,000	18,000
Addison Engineering Company (Hillhouse) Limited		Sales	138,307	275,654
		Purchases	599,749	535,779
		Management fee	18,000	18,000
Addison Academy Limited		Sales	2,624	-
		Purchases	7,374	(4,270)

The net effect of the directors agreeing to settle the liabilities between the related parties at the balance sheet date was that Addison Project plc owes £4,573,737 (2023: £4,090,500) to Addison Engineering Company (Blackpool) Limited.

During the year Addison Project plc paid rent amounting to £60,000 (2023: £60,000) to Mr M A Addison, a director and shareholder of the company.

20. POST BALANCE SHEET EVENTS

On 28 March 2025, ownership of the company's share capital changed from Marcus Addison to Addison Group Holdings Limited.

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Addison Trustees Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.