

**TETRA TECH UK HOLDINGS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**TETRA TECH UK HOLDINGS LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	R A Lemmon K Onslow (resigned 9 March 2022) B J Ward
<b>Company secretary</b>	P Hopson
<b>Registered number</b>	05909611
<b>Registered office</b>	1 Northfield Road Reading Berkshire RG1 8AH
<b>Independent auditor</b>	James Cowper Kreston Chartered Accountants and Statutory Auditor Reading Bridge House George Street Reading Berkshire RG1 8LS

**TETRA TECH UK HOLDINGS LIMITED**

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# TETRA TECH UK HOLDINGS LIMITED

## STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

### Introduction

The directors present their Strategic Report for the year ended 30 September 2021.

### Strategic review

The Company continues to act as an intermediate holding company of a group of companies. These accounts present the results of this holding company only and show a loss before tax of £34,000 (2020 – £4,166,000 after restatement for amortisation of acquired intangibles, see note 19).

In July 2021 Hoare Lea LLP was acquired and joined the UK Group. Hoare Lea is a cutting edge consulting firm with more than 900 employees that specializes in sustainable engineering and design.

As Tetra Tech expands in the UK the strategic aims of the holding company are to provide the necessary financial support and back office services that will assist the various operating companies to function as efficiently as possible.

With the support of Tetra Tech Inc, Tetra Tech UK Holdings and its subsidiary Tetra Tech UK Limited now provide a centralized Treasury function to more efficiently utilize its cash resources and banking arrangements across its UK operations.

We have continued to invest in maintaining and strengthening robust risk and compliance structures. All our operating companies have compulsory training modules for all staff which includes maintaining high standards in ethics, anti-bribery, safeguarding, modern slavery and cyber security.

The results of our subsidiaries are disclosed in their own accounts. Management are pleased with the results for the year, despite the impact of the Covid-19 outbreak.

### Future developments

Tetra Tech now offers a wider range of services to a broader client base and is actively growing its business portfolio in the UK. We believe the Company is well positioned to continue to provide services and to adapt to continually changing circumstances.

**TETRA TECH UK HOLDINGS LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**Financial risk management objectives and policies**

The directors consider that there is limited exposure to financial risk as the majority of the Company's financial exposure is to other companies in the Tetra Tech Inc. group. The company's financial risk management objectives and policies are aligned to those of the Tetra Tech Inc. group of companies which are disclosed in the consolidated financial statements of the company's ultimate holding company, Tetra Tech Inc.

As part of the Tetra Tech group in the UK we subscribe to the tax policy shown on our website with the aim of conducting our tax affairs so as to comply with all relevant laws, rules, regulations, reporting and disclosure requirements, wherever we operate. Our commitment to fair taxation ensures that the countries where we have a permanent establishment benefit from substantial tax receipts withheld from our local employees and suppliers as well as sales taxes and income tax on profits made locally.

Other major business risks, together with systems and initiatives in place to address them, are discussed in the relevant financial reports of our subsidiaries.

**Corporate Social Responsibility**

As a responsible corporate citizen, the Group is committed to the highest standards of ethics, integrity and compliance in all respects of our business. The Group's corporate social responsibility practices are aligned to those of Tetra Tech, Inc. and the most recent Sustainability Report Card is publicly available at [www.tetratech.com](http://www.tetratech.com).

**Section 172 (1) Statement**

Section 172 of the Companies Act 2006 requires each Director of the Company to act in the way he or she considers would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing this, Section 172 requires a Director to have regard to: 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 customers, suppliers, and others; the impact of the Company's operations on the community and environment; the desirability of the Company maintaining a reputation for high standards of business conduct; and the need to act fairly with members of the Company.

The Directors give careful consideration to the factors set out above in discharging their duties under Section 172. The stakeholders considered in this regard are the people who work for the UK Group, its branches and subsidiaries, and clients who require us to assist them with their projects in the UK and across the World. The Directors recognise that building strong relationships with our stakeholders will help the UK Group deliver its strategy in line with its long-term values and operate the business in a sustainable way.

The Company is a wholly owned subsidiary of Tetra Tech Inc. The Company's Directors have day-to-day interaction with the senior executive management of Tetra Tech, Inc. Given this direct dialogue, the Directors have a comprehensive understanding of the needs and targets of its immediate shareholders.

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

.....  
**B J Ward**  
Director  
Date: 27 June 2022

# TETRA TECH UK HOLDINGS LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their report and the financial statements for the year ended 30 September 2021.

### Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

### Going concern

The directors expect the Company to continue to operate for a period of no less than 12 months from the date of the signing of the director's report. Thus they continue to adopt the going concern basis in preparing the financial statements.

### Financial risk management objectives and policies

Details of financial risk management objectives and policies can be found in the Strategic Report on page 1.

### Results and dividends

The profit for the year, after taxation, amounted to £135k (2020 - loss of £4,167k).

The directors do not recommend a final dividend (2020 - £Nil).

### Directors

The directors who served during the year were:

R A Lemmon  
K Onslow (resigned 9 March 2022)  
B J Ward

### Future developments

Details of future developments can be found in the Strategic Report on page 1.

**TETRA TECH UK HOLDINGS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**Statement of disclosure of information to auditor**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditor**

The auditor, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

.....  
**B J Ward**  
Director  
Date: 27 June 2022

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TETRA TECH UK HOLDINGS LIMITED**

**Opinion**

We have audited the financial statements of Tetra Tech UK Holdings Limited (the 'Company') for the year ended 30 September 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 30 September 2021 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TETRA TECH UK HOLDINGS LIMITED (CONTINUED)

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

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

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

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

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

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 3, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TETRA TECH UK HOLDINGS LIMITED (CONTINUED)

**Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 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.

Alexander Peal BSc(Hons) DChA (Senior Statutory Auditor)

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

27 June 2022

TETRA TECH UK HOLDINGS LIMITED

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

		2021	As restated 2020
	Note	£000	£000
Administrative expenses		(3,064)	(4,599)
<b>Operating loss</b>		<u>(3,064)</u>	<u>(4,599)</u>
Income from fixed assets investments		2,974	-
Interest receivable and similar income	7	683	780
Interest payable and similar expenses	8	(627)	(347)
<b>Loss before tax</b>		<u>(34)</u>	<u>(4,166)</u>
Tax on loss	9	169	(1)
<b>Profit/(loss) for the financial year</b>		<u><u>135</u></u>	<u><u>(4,167)</u></u>

The notes on pages 11 to 21 form part of these financial statements.

**TETRA TECH UK HOLDINGS LIMITED**  
**REGISTERED NUMBER: 05909611**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2021**

	Note	2021 £000	As restated 2020 £000
<b>Fixed assets</b>			
Intangible assets	10	153,195	79,927
Investments	11	60,003	51,640
		213,198	131,567
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	12	6,549	6,261
Debtors: amounts falling due within one year	12	31,503	23,681
Cash at bank and in hand	13	9	157
		38,061	30,099
Creditors: amounts falling due within one year	14	(98,359)	(86,435)
<b>Net current liabilities</b>		(60,298)	(56,336)
<b>Total assets less current liabilities</b>		152,900	75,231
Creditors: amounts falling due after more than one year	15	(19,279)	(21,000)
<b>Provisions for liabilities</b>			
Deferred tax	17	(5,958)	-
		(5,958)	-
<b>Net assets</b>		127,663	54,231
<b>Capital and reserves</b>			
Called up share capital	18	21,264	21,263
Share premium account	19	125,385	45,386
Profit and loss account	19	(18,986)	(12,418)
		127,663	54,231

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**B J Ward**  
 Director  
 Date: 27 June 2022

The notes on pages 11 to 21 form part of these financial statements.

TETRA TECH UK HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
<b>At 1 October 2019</b>	21,263	45,386	(8,251)	58,398
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(4,167)	(4,167)
<b>At 1 October 2020 (as previously stated)</b>	21,263	45,386	(7,819)	58,830
Prior year adjustment	-	-	(4,599)	(4,599)
<b>At 1 October 2020 (as restated)</b>	21,263	45,386	(12,418)	54,231
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	135	135
Deferred tax	-	-	(6,703)	(6,703)
Shares issued during the year	1	79,999	-	80,000
<b>At 30 September 2021</b>	21,264	125,385	(18,986)	127,663

The notes on pages 11 to 21 form part of these financial statements.

## TETRA TECH UK HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

#### 1. General information

The Company is an intermediate holding company in the Tetra Tech Inc. group of companies. The Company is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the Company Information page and the nature of the Company's operations and principal activities are given in the Strategic Report and the Directors' Report.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The directors have a reasonable expectation that the Company has adequate resource to continue in operational existence for at least 12 months from the date of approval of the financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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

The following principal accounting policies have been applied:

##### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Tetra Tech, Inc. as at 27 September 2021 and these financial statements may be obtained from their website at [www.tetratech.com](http://www.tetratech.com).

##### 2.3 Exemption from preparing consolidated financial statements

The Company is a parent company that is also a subsidiary included in the consolidated financial statements of a larger group by a parent undertaking established under the law of non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

##### 2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.5 Debtors

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

2.6 Creditors

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

2.7 Financial instruments

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

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

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

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.10 Finance costs

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

2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.12 Intangible assets

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

2. Accounting policies (continued)

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

3. Critical accounting judgements and key sources of estimation uncertainty

The directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. During the year there were no critical accounting judgements made by the directors.

**Key sources of estimation uncertainty**

**Impairment of investments**

The directors deemed it necessary to determine whether there are indicators of impairment of the Company's fixed asset investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset. No impairment provision has been recognised as a consequence of this review as at 30 September 2020.

**Recoverability of the amounts owed by group undertakings**

The directors deemed it necessary to determine whether there are indicators of impairment of the Company's amounts receivable from group undertakings. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the debtor company and the current and forecast financial position of the debtor company. The directors have concluded that all such amounts are expected to be fully recoverable so no allowance for bad debts has been made during the reporting period.

**Amortisation of intangible assets**

Intangible assets represent goodwill. Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of comprehensive income over its useful economic life. Amortisation rates vary from 18 months to 8 years.

**TETRA TECH UK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**4. Auditor's remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u><b>2</b></u>	<u><b>2</b></u>
<b>Fees payable to the Company's auditor and its associates in respect of:</b>		
Taxation compliance services	<u><b>2</b></u>	<u><b>2</b></u>
	<u><b>2</b></u>	<u><b>2</b></u>

**5. Director's emoluments and employees**

The directors received no emoluments in respect of their services to the Company during the year (2020 - £Nil).

The average monthly number of directors during the year was 3 (2020 - 3). There were no employees during the year (2020 - Nil).

**6. Income from investments**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Income from fixed asset investments	<u><b>2,974</b></u>	<u><b>-</b></u>
	<u><b>2,974</b></u>	<u><b>-</b></u>

**7. Interest receivable**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Interest receivable from group companies	<u><b>683</b></u>	<u><b>780</b></u>
	<u><b>683</b></u>	<u><b>780</b></u>

**TETRA TECH UK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**8. Interest payable and similar expenses**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Bank interest payable	627	347
	<u>627</u>	<u>347</u>

**9. Taxation**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
<b>Corporation tax</b>		
Current tax on profits for the year	<u>576</u>	<u>-</u>
Origination and reversal of timing differences	<u>(745)</u>	<u>1</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u><b>(169)</b></u>	<u><b>1</b></u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Loss on ordinary activities before tax	<u>(34)</u>	<u>(4,166)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(6)	(792)
<b>Effects of:</b>		
Fixed asset differences	(179)	874
Use of losses from prior years	-	(81)
Other movements	16	-
<b>Total tax charge for the year</b>	<u><b>(169)</b></u>	<u><b>1</b></u>

**Factors that may affect future tax charges**

There are no factors effecting future tax charges.

TETRA TECH UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021

10. Intangible assets

	As restated Goodwill £000
<b>Cost</b>	
At 1 October 2020	84,526
Additions	76,247
	<hr/>
At 30 September 2021	160,773
	<hr/>
<b>Amortisation</b>	
At 1 October 2020	4,599
Charge for the year on owned assets	2,979
	<hr/>
At 30 September 2021	7,578
	<hr/>
<b>Net book value</b>	
At 30 September 2021	<u>153,195</u>
<b>At 30 September 2020</b>	<u>79,927</u>

11. Fixed asset investments

	Investments in subsidiary companies £000
<b>Cost or valuation</b>	
At 1 October 2020	51,640
Additions	8,363
	<hr/>
At 30 September 2021	60,003
<b>Net book value</b>	
At 30 September 2021	<u>60,003</u>
<b>At 30 September 2020</b>	<u>51,640</u>

**TETRA TECH UK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Principal activity</b>	<b>Class of shares</b>	<b>Holding</b>
Tetra Tech UK Limited	1 Northfield Road, Reading, Berkshire, RG1 8AH	Holding company	Ordinary	100 %
NDY Consulting Limited	1 Angel Court, London, EC2R 7HJ	Specialist consultancy	Ordinary	100 %
Hoare Lea LLP	155 Aztec West, Almondsbury, Bristol, England, BS32 4UB	Specialist consultancy	Ordinary	100 %
Tetra Tech UK Consulting Group Limited	3 Sovereign Square, Sovereign Street, Leeds, England, LS1 4ER	Specialist consultancy	Ordinary	100 %

**12. Debtors**

	<b>2021</b>	2020
	<b>£000</b>	£000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	<b>6,549</b>	6,261
	<u><b>6,549</b></u>	<u>6,261</u>

Amounts owed by group undertakings due in more than one year are unsecured, bear interest at 4.5% per annum and are repayable on 30 September 2023.

	<b>2021</b>	2020
	<b>£000</b>	£000
<b>Due within one year</b>		
Amounts owed by group undertakings	<b>28,529</b>	23,607
Other debtors	<b>2,974</b>	-
Deferred taxation	-	74
	<u><b>31,503</b></u>	<u>23,681</u>

**13. Cash and cash equivalents**

	<b>2021</b>	2020
	<b>£000</b>	£000
Cash at bank and in hand	<b>9</b>	157
	<u><b>9</b></u>	<u>157</u>

**TETRA TECH UK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**14. Creditors: Amounts falling due within one year**

	<b>2021</b>	As restated 2020
	<b>£000</b>	<b>£000</b>
Amounts owed to group undertakings	<b>87,697</b>	86,431
Corporation tax	<b>584</b>	2
Other creditors	<b>10,078</b>	-
Accruals and deferred income	<b>-</b>	2
	<hr/> <b>98,359</b> <hr/>	<hr/> 86,435 <hr/>

**15. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	2020
	<b>£000</b>	<b>£000</b>
Bank loans	<b>-</b>	21,000
Other creditors	<b>19,279</b>	-
	<hr/> <b>19,279</b> <hr/>	<hr/> 21,000 <hr/>

**16. Loans**

Analysis of the maturity of loans is given below:

	<b>2021</b>	2020
	<b>£000</b>	<b>£000</b>
<b>Amounts falling due 1-2 years</b>		
Bank loans	<b>-</b>	21,000
	<hr/> <b>-</b> <hr/>	<hr/> 21,000 <hr/>
	<hr/> <b>-</b> <hr/>	<hr/> <b>21,000</b> <hr/>

**17. Deferred taxation**

**TETRA TECH UK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**17. Deferred taxation (continued)**

	<b>2021 £000</b>
At beginning of year	74
Charged to profit or loss	670
Charged to other comprehensive income	(6,703)
<b>At end of year</b>	<b><u>(5,959)</u></b>

The deferred taxation balance is made up as follows:

	<b>2021 £000</b>	2020 £000
Timing differences on losses and other deductions	745	74
Deferred tax included directly in equity	(6,703)	-
	<b><u>(5,958)</u></b>	<b><u>74</u></b>

**18. Share capital**

	<b>2021 £000</b>	2020 £000
<b>Allotted, called up and fully paid</b>		
2,126,351,879 (2020 - 2,126,227,879) Ordinary shares of £0.01 each	<b><u>21,264</u></b>	<b><u>21,263</u></b>

During the year, on 29 September 2021, the Company issued 80,000 ordinary shares of £0.01 for £1,000 per share (2020: 2,126,879 shares of £0.01 at nominal value).

The shares have attached to them full voting dividend and capital distribution (including on winding up) rights, they do not confer any rights of redemption.

**19. Reserves**

**Share premium account**

The share premium reserve relates to amounts paid for share capital in excess of nominal value.

**Profit and loss account**

The profit and loss account represents cumulative profits and losses net of dividends paid and other adjustments.

**TETRA TECH UK HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**20. Prior year adjustment**

During the period, intangible assets relating to earlier acquisitions by Tetra Tech UK Holdings Limited which had previously been held at the group level within Tetra Tech were transferred to the Company. For comparative purposes, a prior period adjustment has been made in these financial statements to increase Intangible assets at cost brought forward by £84,526k and increase Intangible assets amortisation brought forward by £4,599k. As a result retained earnings brought forward has decreased from (£7,819k) to (£12,418k) due to the impact of the amortisation charged to the prior period profit and loss account' and amounts owed to group undertakings has increased by £84,526k.

**21. Related party transactions**

The Company has taken advantage of the exemption conferred by FRS 102 s.33.1A not to disclose transactions with other wholly owned members of the group.

There were no other related party transactions in the year to disclose.

**22. Ultimate parent undertaking and controlling party**

The Company is a subsidiary undertaking of Tetra Tech, Inc., a company incorporated in the USA. The ultimate controlling party is Tetra Tech, Inc., by virtue of its 100% ownership of the Company.

The largest group in which the results of the Company are consolidated is that headed by Tetra Tech, Inc., which is incorporated in the United States of America and registered on NASDAQ. The financial statements of Tetra Tech Inc., are publicly available at [www.tetratech.com](http://www.tetratech.com).



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