

Building Places Building Lives

2021 REVIEW



WILLMOTT DIXON

SINCE 1852

2021 Introduction

**Willmott Dixon's
Group Chief Executive
Rick Willmott:**



Our underlying trading and profit was strong across all of Willmott Dixon's operating companies, despite macro-challenges that the UK economy and the construction industry continue to face.



Rick Willmott FCIQB

However, our progress has been distorted by the need to increase our cladding related provisions to £61 million in aggregate in line with accounting standards,

while we pursue recovery from those organisations ultimately responsible for designs, fire safety advice and insurance protection.

Building Safety Act

We are all beginning to decipher the retrospective impact of the new Building Safety Act at a time when many in our industry will be wondering how the widespread failure of the Government's own regulatory and testing system has left building owners and their contractors facing uninsured and unquantifiable financial risks for residential properties certified as fully compliant with Building Regulations over the last thirty years.

It is a poorly conceived travesty of justice that shines a spotlight on populist law making. While the Act has quite rightly found a solution to the problems of innocent occupiers of some dangerous buildings, it has done so by making a scapegoat of the whole industry and by throwing developers, contractors and their supply chains under the proverbial bus rather than accepting the fundamental role that successive Governments, their own regulators and agents have played in creating this mess.

Deliver exceptional outcomes and supporting local growth

It's important 75% of our turnover was from work procured via frameworks, which are a proven way to deliver excellent quality, value for money projects for customers. This framework presence was strengthened by our re-appointment on the Scape, Department for Education, Homes England and Procurement Hub national frameworks, along with a place on the recently awarded ProCure23 framework. When you add our existing frameworks, it gives our customers access to a wide range of procurement routes to enable 'shovel ready' projects to support post-Covid growth.

Looking ahead

We have to continually adapt to sustain workload volumes at least at current levels, with the ambition to grow our market share - currently around 1% of the whole UK construction market - by being more efficient, with greater control of projects at primary design stage and continuing to work with a customer base that sees the longer-term benefits of continued investment in capital projects; even at market inflated prices."

2021 FINANCIAL HIGHLIGHTS

Turnover
£1.101 bn

Cash at bank up to:
£113.2 m

Margin on profit before tax, goodwill amortisation and exceptional item:

2.2%

Profit before tax, goodwill amortisation and exceptional item:

£24.0 m

Frameworks:

75%

of turnover procured via frameworks

Profit after exceptional item but before tax and goodwill amortisation:

£13.3 m

Construction business turnover:

£946 m

Interiors business turnover:

£156 m

Looking to the future

future

Julie Hirigoyen, chief executive at the UK Green Building Council, joins the main board as non-executive director, replacing Jonathon Porritt who is stepping down after 12 years of making an important contribution in guiding our sustainable development journey.

Net assets 
for 2021 up to
£176m

Order pipeline
£1.4bn
For next 18 months

Loan facilities
£50m
undrawn with
no plans to do so

Debt 
£0
at December 2021

Contractor of choice 
61%
of orders in 2022 expected
to be repeat business

Budgeted work secured for 2022
95%
(as at April 2022)



What makes us proud

1st to secure the sustainability-backed loan facility from HSBC, Lloyds and Santander.

Fleet News' BEST
'Fleet Benefits Scheme of the Year' for supporting sustainable transport and agile working.



4th year running named in The Times Top 50 Employers for Women guide.



Awarded the Key4Life YOUNITED Flag award for how we support ex-offenders.

28 days Average payment time for supply chain partners.

93% of our people agreed in our Your Say survey they "have the support and trust to work in an agile way."

29%  of our team are now women as we aim for workforce gender parity by 2030.

£3.1m invested into our people's development as part of our 'career of a lifetime' ethos.

46% of new starters in 2021 were women with

49% of all trainees now women.



Better planet

CO₂
NEUTRAL
for the
9th year
running.

63% reduction
in construction waste
intensity since 2012.


68% cut
in carbon emissions
(relative to turnover) since 2010.

45% cut 
in business travel and
commute mileage
since 2018.

337 
fully electric cars
have been ordered
by our people.

Agreements
in 2021 for 
9,000 trees
planted by end of 2022.

54% reduction
in absolute
construction waste
since 2012.

17% cut 
in absolute carbon emissions
since 2020, and 32% since
our baseline year of 2018.

Better



Planet



RIBA's 2021 Stirling Prize



Town House for University of Kingston wins RIBA's 2021 Stirling Prize and declared Europe's best new building at the Mies van der Rohe Awards.

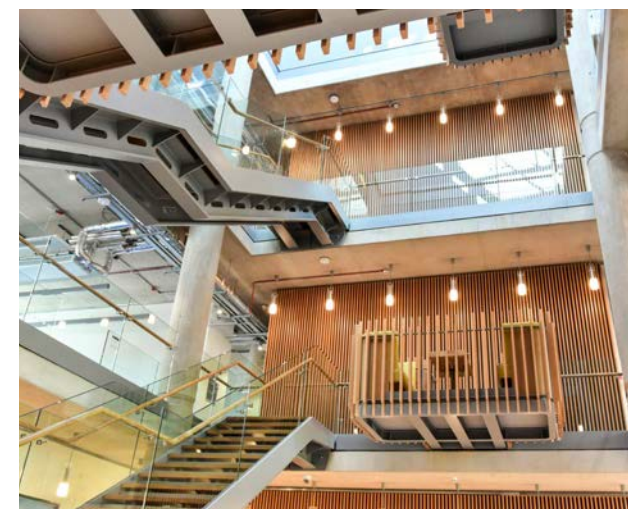
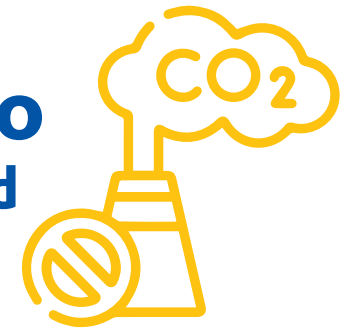
Brilliant Buildings

1st & 3rd

First contractor and third company globally to be certified to Level 3 of the Carbon Trust's Supply Chain Standard

Net Zero track record grows

with work to deliver Silverwood School, Tarleton Academy and Inspired Villages – all will be net zero operational carbon in use.



'Best in Class'

Pears Building at the Royal Free Hospital and the Biomedical Research Facility at University of Warwick named 'Best in Class' projects at Construction News awards.

Building

Building Lives

£13.4m

return on social investment at project level.

£1.4m

of our people's time and skills invested in local community projects.

162



People undertook courses at our Building Lives Academies.

343



employability and training programmes delivered to over 2,900 people.

19 people with significant barriers to employment

supported into jobs with supply chain partners, and two more directly employed by Willmott Dixon.

29,000 hours of our people's time volunteered on activities that delivered long-term societal benefits.



£1m

spent on social enterprises in first six months of 2022

Founder member of the Social Partnership Portal to measure impact of social mobility initiatives.



lives

Celebrating success of our people



Edie Sustainability Leaders awards 2021

Julia Barrett

Sustainability Leader of the Year

Jono Ayton

Rising Sustainability Star



Construction Manager of the Year Awards 2021

Gold medals:

Shaun Burrows for his delivery of Delamere Forest Visitors Centre in Cheshire

Chris Linfoot from our Interiors team for his work on the iconic Grade II listed Old Admiralty Building in London

Nick Preedy for delivering the Interdisciplinary Biomedical Research Building at the University of Warwick

Jack Wells for the creation of the Homestead Building at Oaklands College.

Silver medals:

David John for Llys Cadwyn in Pontypridd

Lianne Lawson for the delivery of the Dixons Trinity Capeltown all-through school

Andy Mitchell for the Ropemaker's Academy in Hailsham

Mick Hill for his delivery of the The Beeches & The Nevilles housing project.



Profit & Loss

Year Ended 31 December 2021

	2021 £000	2020 (restated) £000
Turnover	1,101,468	1,191,194
Cost of sales	(985,689)	(1,083,350)
Gross profit	115,779	107,844
Administrative expenses	(92,899)	(100,457)
Other operating income	49	5,738
Operating profit*	22,929	13,125
Interest payable and similar charges	(242)	(308)
Interest receivable	1,346	1,350
Profit before taxation*	24,033	14,167
Exceptional Item	(10,771)	(25,174)
Taxation	(1,925)	1,742
Profit after taxation**	11,337	(9,265)

* excluding exceptional item and amortisation of goodwill

** excluding amortisation of goodwill

The financial statements included in this document are derived from the Company's full audited statutory accounts for the year ended 31 December 2021.

Balance Sheet

As at 31 December 2021

	2021 £000	2020 (restated) £000
Fixed assets	24,768	28,331
Current assets		
Debtors	433,188	399,194
Cash at bank and in hand	113,212	98,799
	546,400	497,993
Creditors: due within one year	(319,638)	(305,719)
Net current assets	226,762	192,274
Total assets less current liabilities	251,530	220,605
Creditors: due after one year	(14,686)	(15,299)
Provisions	(60,855)	(33,603)
	175,989	171,703
Capital and reserves		
Share capital and premium	102,083	102,083
Profit and loss account	73,906	69,620
	175,989	171,703

Cash flow

Year Ended 31 December 2021

	2021 £000	2020 (restated) £000
Cash flow from operating activities		
Operating profit*	22,929	13,125
Depreciation and amortisation of fixed assets	4,420	5,004
Movements in working capital	5,985	2,128
Other movements	95	353
	33,433	20,610
Cash flow from investing activities		
Purchases of fixed assets	(3,003)	(5,337)
Interest received	1,346	1,350
Other movements	-	(160)
	(1,657)	(4,147)
Cash flow from financing activities		
Advances to group companies	(12,121)	(10,435)
Interest paid	(242)	(308)
Dividends paid	(5,000)	-
	(17,363)	(10,743)
Increase in cash and cash equivalents	14,413	5,720
Cash and cash equivalents 1 January 2021	98,799	93,079
Cash and cash equivalents 31 December 2021	113,212	98,799

* excluding exceptional item and amortisation of goodwill





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PROMOTING OPPORTUNITY
2018



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2019