

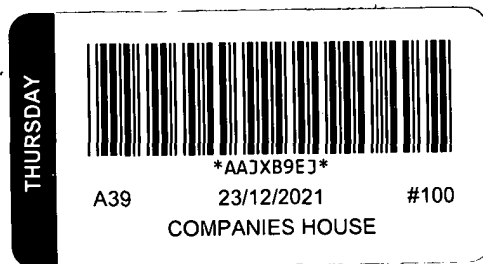
**Airedale International Air
Conditioning Limited**

Annual Report and Financial Statements

Year Ended

31 March 2021

Company Number 01173149



Airedale International Air Conditioning Limited

Company Information

Directors	A Cole S Joyce M J McBurney S Miller J C Obodoefuna
Company secretary	S A Thorburn
Registered number	01173149
Registered office	Rawdon Factory Leeds Road Rawdon Leeds LS19 6JY
Independent auditor	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL
Bankers	Barclays Bank plc 1 Wood Street Wakefield WF1 2EA
Solicitors	Eversheds Bridgewater Place Water Lane Leeds LS11 5DR

Airedale International Air Conditioning Limited

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Airedale International Air Conditioning Limited

Strategic Report For the Year Ended 31 March 2021

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2021.

Business review and principal activities

The company manufactures a wide range of air conditioning equipment for application in close control, comfort, applied product and telecoms market. The company also provides after sales support through service and parts.

The results for the company show a profit before taxation of £6.9m (2020 - £4.1m) for the year and sales of £85.2m (2020 - £55.7m). The company's net assets totalled £17.5m as at 31 March 2021 (2020 - £12.0m).

Business environment

The company operates in a highly competitive business environment in both the core UK business and the international market. Expansion continues in the growing after sales and service market.

Strategy

The company's overriding objective is to achieve attractive and sustainable rates of growth and returns through organic growth. This will be achieved by developing new products and enhancing the current extensive range of products.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks.

Risks are formally reviewed by management and appropriate processes put in place to monitor and mitigate them.

The key business risks affecting the company are set out below:

Competition

The company operates in a highly competitive market particularly around price, product availability and quality. This results in not only downward pressure on margins but also in the risk of not meeting the customers expectations. In order to mitigate the risk the sales team monitor market prices on an on going basis and have been given full responsibility for pricing goods within their local region. Furthermore, the company undertakes routine market research to understand customers' expectations and whether their needs are being met.

Employees

The resignation of key individuals and the inability to recruit people with the right experience and skills from the local community could adversely impact the business. To mitigate these issues the company had a number of schemes linked to the company's results that are designed to retain key individuals.

Supply chain

Given the company's focus on product availability it sources its materials internationally, nationally and locally. The company mitigates any risk through effective supplier selection and procurement practices.

Brexit

Following the departure of the UK from the EU, the company has constantly reviewed the impact on the business. In advance of the year end, the directors undertook steps to engage with employees who are not UK citizens as well as mitigating risks in supply chain logistics. During the first quarter of 2021, other than some marginal customs regulation changes to work through during early January 2021, there has been no significant impact of Brexit on the company.

Airedale International Air Conditioning Limited

Strategic Report (continued) For the Year Ended 31 March 2021

Key performance indicators

The company has made satisfactory progress in the year on some of its overriding objectives and the key elements of the strategy for growth. Management monitors progress on the overall company strategy and the individual strategic elements by reference of KPIs, namely turnover, gross margin, return on invested capital and employee retention.

Performance during the twelve months to 31 March 2021 and 31 March 2020 is set out in the table below:

	2021 %	2020 %
Growth in sales	17.1	(1.2)
Gross margin	24.5	23.4
Return on invested capital	39	34.3
Employee retention	99.2	98.9

Growth in sales

Year on year sales movement expressed as a percentage. The company generated a year on year increase in sales of 17.1% during the year ended 31 March 2021. This reflects a increased level of sales to domestic markets.

Gross margin

Gross margin is the ratio of gross profit to sales expressed as a percentage. During the year, gross margin increased by 1.1%, due to manufacturing efficiencies achieved following capital expenditure in recent years.

Return on invested capital

Operating profit expressed as a percentage of net assets at fiscal year-end. The positive return on invested capital demonstrates the company's ability to use net assets to support a profitable business.

Employee retention

Employee retention is the number of employees remaining in employment with the company at the end of each month (based on those employees in a position at the start of each month) expressed as an average percentage over the financial year. The company's strong employee retention figures reflect significant investment in staff training programmes, together with a flexible benefits package.

Airedale International Air Conditioning Limited

Strategic Report (continued) For the Year Ended 31 March 2021

Going concern and Covid-19

The company acted swiftly in reaction to the Covid-19 crisis, ensuring that the company could continue to operate largely uninterrupted in delivering products and services to its customers. The business has so far successfully managed its way through the impact of Covid-19 – with sales of product remaining strong, as have exports.

Disruption to supplies have been minimal and the company has implemented safe working conditions for shop floor operatives to minimise any disruption in production. The company is increasing headcount in order to meet growth targets and this helped to cover for any staff absence due to the impact of Covid-19.

Looking forward to FY22/23, the company is planning for significant growth, mainly due to the success of its data center product. The company is planned to grow revenues 10%, with key limiting factor being the availability of production capacity. The company is expected to be cash generative from a trading perspective. At 31 March 2021, the company was utilising £3.9m (2020: £9.2m) of an intercompany backed bank credit facility and is expected to be repaid in full during the going concern review period.

As the crisis hit the directors considered the impact that Covid-19 could have on the going concern of the company by looking at a number of factors. The directors feel positive about future revenues, profitability and cash flow.

The directors also carried out a re-evaluation of the financial forecasts, and whilst it was agreed the crisis may affect the company's growth in certain areas in the short term, they considered would not have a detrimental effect on the overall business. This has been the case with 2021 revenues growing on that seen in 2020.

In undertaking the review the directors have prepared financial statement projections for the next 12 months. As such the directors conclude that the existing cash balances and facilities are sufficient to meet all liabilities as they fall due for at least 12 months, including relevant sensitivities from the date of approval of the financial statements; and therefore it is appropriate to continue to prepare the financial statements on a going concern basis.

This report was approved by the board on 14 December 2021 and signed on its behalf.



J C Obodoefuna
Director

Airedale International Air Conditioning Limited

Directors' Report For the Year Ended 31 March 2021

The directors present their report together with the audited financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the company during the year was the design and manufacture of a wide range of air conditioning equipment for application in the close control, comfort, applied product and telecoms market and is expected to remain so for the foreseeable future. The company also supplies the after sales markets with service and parts.

Business review

A review of the business and its principal risks and uncertainties is set out in the strategic report on pages 1 to 2 of these financial statements.

Results and dividends

The profit for the year, after taxation, amounted to £5.5m (2020 - £3.2m).

Dividends were paid during the year amounting to £Nil (2020 - £2.4m).

Going Concern and Covid-19

As set out in the strategic report, the directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing these financial statements.

Directors

The directors who served during the year were:

J C Obodoefuna (appointed 1 November 2021)

A Cole (resigned 10 September 2021)

S Joyce

M J McBurney (resigned 29 October 2021)

S Miller (resigned 1 May 2021)

Future developments

The market is expected to place increasing emphasis on energy efficiency and environmentally friendly air conditioning and the company's strategy is aligned to these market forces.

Financial risk management

When the company enters into significant overseas transactions in foreign currency, the company reviews and hedges cash flow against adverse currency fluctuations. There were no hedges in place at year end.

Further detail on the principal risks and uncertainties can be found in the strategic report.

Research and development activities

The company continues to invest in the design and development of our products and in use of new technology particularly relating to environmentally friendly refrigerant gases. Energy efficiency is key to the development of these units. The cost of the company's expenditure in research and development during the year was approximately £1.9m (2020 - £1.7m).

Airedale International Air Conditioning Limited

Directors' Report (continued) For the Year Ended 31 March 2021

Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through internal newsletters, briefing groups and electronic communications and their involvement in the company's performance is encouraged.

Section 172(1) statement

Section 172(1) statement Section 172 of the Companies Act 2006 (the "Act") requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing so, section 172(1)(a)-(f) of the Act requires directors to have regard to certain stakeholders and matters (amongst other matters). The company engages with its stakeholders, when appropriate, and has processes in place to capture and consider stakeholders' insights and views. In performing their section 172 duties, the directors take into account this stakeholders' feedback, the section 172 matters as well as other factors they consider relevant to their board discussions and decision-making. In light of the new disclosure requirements of Section 172(1) of the Act, set out below are further details on how the directors have had regard to the matters and stakeholders set out in section 172(1) during this financial year:

Likely consequences of any decisions in the long term

Airedale International Air Conditioning Limited is ultimately owned and managed by Modine Manufacturing Company, based in Racine, Wisconsin. They are primarily responsible for guiding the long term direction of the business and are involved in all strategic decisions. No long term decision is made without their involvement and consent. Any decisions taken will be to promote the companies long term mission which is to become climate neutral.

Engagement with employees

The company places a premium on maintaining an expert and qualified employee base in order to provide innovative products and specialized technical service to its customers. As such, the company takes active steps to offering ongoing training programs, both online and academic to enable employees to build on their skills and capabilities. Internal communications are also, designed to ensure that employees are informed of performance and strategy along with regular individual performance reviews. These include regular presentations and meetings with Q&A sessions and a wide spectrum of colleagues in attendance. In addition, employees may report issues through the whistleblowing hotlines operated by Modine Manufacturing Company which may be discussed among the company's directors when appropriate. The integrity of this process is an important part of the governance arrangements of the company and the company group.

Airedale International Air Conditioning Limited

Directors' Report (continued) For the Year Ended 31 March 2021

Engagement with suppliers, customers and other key stakeholders

Fostering positive and strong business relationships with key stakeholders, such as customers and suppliers, is critical to the creation of sustainable long-term value. As a result of the company group's decentralized model, engagement with customers and suppliers is a matter that is largely delegated to the management teams of each business, who know their businesses best. As such, the directors support the management teams to manage those customer and supplier relationships. In addition, as part of its innovation and product development process, the company has multiple interactions with various partners in a number of jurisdictions around the world to develop commercially viable, environmentally friendly solutions for its customers. The company is also committed to engaging with its shareholder, being Modine Manufacturing Company, its ultimate parent entity. The directors meet or communicate on a regular basis with Interface senior management, so feedback can be received, and any issues or questions raised can be properly considered.

Impact on the community and the environment

In addition to understanding and having regard to the interests of its stakeholders, the company is committed to reducing the impact of its operations on the community and the environment. Modine Manufacturing Company, the company's ultimate parent entity, plays a constructive role in promoting the protection and enhancement of the environment as it encourages companies within its group to innovate and invest in new technologies to solve environmental challenges. The company's directors are aligned with this strategy and understand that it is both socially responsible and commercially compelling to develop sustainable solutions that meet or exceed the increasingly stringent environmental standards of the company's customers and regulators. As such, their decision-making is geared towards developing commercially viable, environmentally friendly solutions for the customers of the company and the company group in general.

Maintaining a reputation for high standards of business conduct

The company operates in end-markets characterized by long term relationships between stakeholders. Maintaining a strong reputation for high standards of business conduct is vital and Modine Manufacturing Company, the company's ultimate parent entity, expects all entities within its group and members of the supply chain to act with integrity, acting openly, honestly and ethically. Modine Manufacturing Company maintains effective oversight with respect to business conduct. Integrity is underpinned with global corporate policies in relation to bribery and corruption, data protection, equality, diversity and inclusion, modern slavery, fraud and whistleblowing, each of which is reinforced through appropriate training. In addition to the group's core values, all employees must comply with these requirements and when taken together with the group's corporate responsibility commitments, they provide the framework within which the group, including the company, operates both internally and in its markets. Suppliers and contractors are also expected to behave in a consistent, responsible manner.

Acting fairly between members

As a wholly owned subsidiary, the directors do not consider the factor set out in section 172(1)(f) (need to act fairly between the members of the company) relevant to the proper discharge of their duty under section 172 of the Act.

Key performance indicators

The directors closely monitor the group's sales, margin and operating costs, managing business investment in accordance with market conditions. Commentary on these indicators is detailed above.

Airedale International Air Conditioning Limited

Directors' Report (continued) For the Year Ended 31 March 2021

Streamlined energy and carbon reporting

In Accordance with the Streamlined Energy and Carbon ("SECR") reporting requirements, the directors report on the company's energy usage and greenhouse gas emissions for the fiscal year ended 31 March 2021. As this is the second year of reporting, comparative figures are presented.

In accordance with the requirements, energy usage figures reflect the group's electricity and gas usage during the year at the Rawdon and Consett sites during 2021.

Current performance

Airedale Leeds, and Barkell Consett sites total emissions are 2,962.81 tCO₂e.

Emission per £ Million turnover have reduced by -11.3%.

Airedale Leeds total emissions have increased by 3.6% since the baseline year due to increased operational capacity and transitioning to 24 hour operation.

The most significant emission source is site electricity accounting for 39% of Airedale's carbon footprint.

	2020/21 £000		2019/20 £000	% change from baseline year
Metric				
Total Tonnes CO ₂ e	2,963	-	2,861	-3.6%
Tonnes of CO ₂ e per employee	4	-	5	-9.5%
Tonnes of CO ₂ e per £M turnover	46	-	51	-11.3%

Calculation methodology

The carbon footprint appraisal was derived from a combination of site data collection and data computation by Carbon Footprint's analysts.

Our footprint was calculated using the 2020 conversion factors developed by the UK Department for Environment, Food and Rural Affairs (Defra) and the Department for Business, Energy & Industrial Strategy (BEIS). These factors are multiplied with the company's GHG activity data.

Carbon footprint reduction programmes

During 2021 The Group has undertaken the following programs to reduce carbon emissions and the use of energy:

- Improvements to metering in Rawdon to further understand energy consumption with a view to identifying savings;
- Set up a program to replace internal and external lights with LED Bulbs. This has commenced at Barkell Consett;
- Leak testing of the compressed air system at both sites; and
- Move to more electric/hybrid vehicles.

Airedale International Air Conditioning Limited

Directors' Report (continued) For the Year Ended 31 March 2021

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 statement of financial position events

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

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *17 December 2021* and signed on its behalf.



J C Obodoefuna
Director

Airedale International Air Conditioning Limited

Directors' Responsibilities Statement For the Year Ended 31 March 2021

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 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;
- 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.

Airedale International Air Conditioning Limited

Independent Auditor's Report to the Members of Airedale International Air Conditioning Limited

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 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.

We have audited the financial statements of Airedale International Air Conditioning Limited ("the company") for the year ended 31 March 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

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.

Airedale International Air Conditioning Limited

Independent Auditor's Report to the Members of Airedale International Air Conditioning Limited (continued)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report 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. 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.

Other Companies Act 2006 reporting

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.

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, 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.

Airedale International Air Conditioning Limited

Independent Auditor's Report to the Members of Airedale International Air Conditioning 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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

As part of the audit we gained an understanding of the legal and regulatory framework applicable to the Company and the industries in which it operates, and considered the risk of acts by the Company that were contrary to applicable laws and regulations, including fraud. We considered the Company's compliance with laws and regulations that have a significant impact on the financial statements to be UK company law, UK tax legislation, the accounting framework and ISO security standards, and we considered the extent to which noncompliance might have a material effect on the Company financial statements.

Based on our understanding we designed our audit procedures to identify instances of non-compliance with such laws and regulations. Our procedures included inquiries of management and of the Directors, reviewing the financial statement disclosures agreeing to underlying supporting documentation where necessary, review of Board meeting minutes and review of any applicable correspondence with legal counsel or tax authorities.

Our assessment of the susceptibility of the financial statements to fraud was through management override of controls and inappropriate revenue recognition. We addressed the risk of management override of internal controls, including testing journal entries processed during and subsequent to the year, testing of significant estimates and evaluating whether there was evidence of bias in the financial statements by the Directors that represented a risk of material misstatement due to fraud. We addressed the risk of inappropriate revenue recognition, including testing year end cut off and testing a sample of sales transactions across the year to ensure these are not considered to be fictitious sales.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.


A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Airedale International Air Conditioning Limited

Independent Auditor's Report to the Members of Airedale International Air Conditioning Limited (continued)

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.


Stuart Wood (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Leeds
United Kingdom

17 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Airedale International Air Conditioning Limited

Statement of Comprehensive Income For the Year Ended 31 March 2021

	Note	2021 £000	2020 £000
Turnover	4	65,193	55,659
Cost of sales		(49,249)	(42,614)
Gross profit		15,944	13,045
Distribution costs		(1,940)	(2,113)
Administrative expenses		(7,103)	(6,784)
Operating profit	5	6,901	4,148
Interest receivable and similar income	8	61	76
Interest payable and similar charges	9	(111)	(164)
Profit before tax		6,851	4,060
Tax on profit		(1,263)	(879)
Profit for the financial year		5,588	3,181
Other comprehensive income		-	-
Total comprehensive income for the year		5,588	3,181

The notes on pages 17 to 33 form part of these financial statements.


Airedale International Air Conditioning Limited

Registered number: 01173149

Statement of Financial Position As at 31 March 2021

	Note	2021 £000	2021 £000	2020 £000	2020 £000
Fixed assets					
Tangible assets	12		4,534		4,826
Investments	13		2,231		2,231
			<u>6,765</u>		<u>7,057</u>
Current assets					
Stocks	14	13,501		10,676	
Debtors: amounts falling due after more than one year	15	120		172	
Debtors: amounts falling due within one year	15	19,912		20,458	
Cash at bank and in hand		730		753	
		<u>34,263</u>		<u>32,059</u>	
Creditors: amounts falling due within one year	16	(21,886)		(25,626)	
Net current assets			<u>12,377</u>		<u>6,433</u>
Total assets less current liabilities			<u>19,142</u>		<u>13,490</u>
Provisions for liabilities					
Deferred tax	17	(1,023)		(995)	
Other provisions	18	(500)		(464)	
			<u>(1,523)</u>		<u>(1,459)</u>
Net assets			<u>17,619</u>		<u>12,031</u>
Capital and reserves					
Called up share capital	19		450		450
Capital redemption reserve	20		50		50
Profit and loss account	20		17,119		11,531
Total equity			<u>17,619</u>		<u>12,031</u>

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

 17 December 2021

J C Obodoefuna
Director

The notes on pages 17 to 33 form part of these financial statements.

Airedale International Air Conditioning Limited

Statement of Changes in Equity For the Year Ended 31 March 2021

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2020	450	50	11,531	12,031
Comprehensive income for the year				
Profit for the year	-	-	5,588	5,588
Total comprehensive income for the year	-	-	5,588	5,588
At 31 March 2021	450	50	17,119	17,619

Statement of Changes in Equity For the Year Ended 31 March 2020

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£000	£000	£000	£000
At 1 April 2019	450	50	10,710	11,210
Comprehensive income for the year				
Profit for the year	-	-	3,181	3,181
Total comprehensive income for the year	-	-	3,181	3,181
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(2,360)	(2,360)
Total transactions with owners	-	-	(2,360)	(2,360)
At 31 March 2020	450	50	11,531	12,031

The notes on pages 17 to 33 form part of these financial statements.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

1. General information

Airedale International Air Conditioning Limited is a private company limited by shares and 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 its principal activity are set out in 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 and the Companies Act 2006.

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

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest thousand.

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 Modine Manufacturing Company Inc. as at 31 March 2021 and these financial statements may be obtained from 1500 DeKoven Avenue, Racine, Wisconsin, USA.

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 its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.4 Going concern

The company acted swiftly in reaction to the Covid-19 crisis, ensuring that the company could continue to operate largely uninterrupted in delivering products and services to its customers. The business has so far successfully managed its way through the impact of Covid-19 – with sales of product remaining strong, as have exports.

Disruption to supplies have been minimal and the company has implemented safe working conditions for shop floor operatives to minimise any disruption in production. The company is increasing headcount in order to meet growth targets and this helped to cover for any staff absence due to the impact of Covid-19.

Looking forward to FY22/23, the company is planning for significant growth, mainly due to the success of its data center product. The company is planned to grow revenues 10%, with key limiting factor being the availability of production capacity. The company is expected to be cash generative from a trading perspective. At 31 March 2021, the company was utilising £3.9m (2020: £9.2m) of an intercompany backed bank credit facility and is expected to be repaid in full during the going concern review period.

As the crisis hit the directors considered the impact that Covid-19 could have on the going concern of the company by looking at a number of factors. The directors feel positive about future revenues, profitability and cash flow.

The directors also carried out a re-evaluation of the financial forecasts, and whilst it was agreed the crisis may affect the company's growth in certain areas in the short term, they considered would not have a detrimental effect on the overall business. This has been the case with 2021 revenues growing on that seen in 2020.

In undertaking the review the directors have prepared financial statement projections for the next 12 months. As such the directors conclude that the existing cash balances and facilities are sufficient to meet all liabilities as they fall due for at least 12 months, including relevant sensitivities from the date of approval of the financial statements; and therefore it is appropriate to continue to prepare the financial statements on a going concern basis.

2.5 Turnover

Turnover represents the invoiced value of goods and services supplied, excluding value added tax and trade discounts. Turnover from the sales of goods is recognised when the significant risks and rewards of ownership of the goods are passed to the buyer.

Turnover from services supplied are recognised over the period to which they relate. Where payment is received in advance the amount is recorded as deferred income and released over the relevant period.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Plant and machinery	- 8 - 17% per annum
Motor vehicles	- 20 - 25% per annum
Fixtures and fittings	- 10 - 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of comprehensive income.

2.7 Valuation of Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The carrying value of investments is periodically reviewed for events or changes in circumstances which indicate the carrying value may not be recoverable.

2.8 Foreign currency translation

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

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

2.9 Operating leases: the company as lessee

All existing leases are treated as operating leases as substantially all the benefits and risks of ownership remain with the lessor. The cost of the leases are charged on a straight line basis over the lease term.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.10 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.11 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.12 Finance costs

Finance costs are charged to the statement of comprehensive income 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.

2.13 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.

2.14 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.

2.15 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.

2.16 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, amounts due from and to group undertakings and accruals.

All debt instruments are payable or receivable within one year and 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 financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.16 Financial Instruments (continued)

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

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

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

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

2.17 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.18 Dividends

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

2.19 Research and development costs

The company is continually researching and developing new products. Costs associated with research and development are taken to profit and loss in the year in which they are incurred.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.20 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 reporting 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 statement of financial position 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 reporting date.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

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

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's investments and amounts due from subsidiaries. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the subsidiary undertakings. In respect of the amount receivable from the company's subsidiary undertaking, Barkell Limited, the directors have sought confirmation that Barkell Limited are able to repay the amount in full.

The directors have confirmed that there is a letter of guarantee from the ultimate parent company, Modine Manufacturing Company, to Barkell Limited. This guarantee sets out that Modine Manufacturing Company intend to provide the funds, where necessary, to ensure that the amount due to the company is repaid in full and will provide this commitment until the amount is settled. Having taken account of the ability of Modine Manufacturing Company to provide this commitment, the directors are satisfied that this balance will be recovered and therefore have not recorded a provision against the balance.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 12)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Turnover

The company's turnover relates entirely to its principal activity. The geographical analysis of turnover is:

	2021 £000	2020 £000
United Kingdom	52,115	44,425
Rest of Europe	4,392	3,228
Rest of the world	8,687	8,006
	<u>65,194</u>	<u>55,659</u>

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

5. Operating profit

The operating profit is stated after charging:

	2021 £000	2020 £000
Depreciation of tangible fixed assets	874	869
Research & development charged as an expense	1,887	1,700
Exchange differences	142	96
Operating lease charges	1,117	1,196
Fees payable to the company's auditor and its associates:		
- audit of the company's annual financial statements	37	35
- other services	4	3
	<u>21,358</u>	<u>20,288</u>

6. Employees

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

	2021 £000	2020 £000
Wages and salaries	18,493	17,656
Social security costs	1,729	1,628
Cost of defined contribution scheme	1,136	1,004
	<u>21,358</u>	<u>20,288</u>

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

	2021 No.	2020 No.
Production	375	322
Selling and distribution	44	40
Administration	134	128
	<u>553</u>	<u>490</u>

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

7. Directors' remuneration

	2021 £000	2020 £000
Directors' emoluments	227	299
Contributions paid to money purchase schemes	24	25
	<u>251</u>	<u>324</u>

The highest paid director received remuneration of £0.2m (2020 - £ 0.2m).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £0.015m (2020 - £ 0.015m).

8. Interest receivable and similar income

	2021 £000	2020 £000
Interest receivable from group companies	55	70
Other interest receivable	6	6
	<u>61</u>	<u>76</u>

9. Interest payable and similar charges

	2021 £000	2020 £000
Loans from group undertakings	<u>111</u>	<u>164</u>

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

10. Taxation

	2021 £000	2020 £000
Corporation tax		
Current tax on profits for the year	1,233	745
Adjustments in respect of previous periods	-	31
Total current tax	<u>1,233</u>	<u>776</u>
Deferred tax		
Origination and reversal of timing differences	28	(2)
Rate changes	2	105
Total deferred tax	<u>30</u>	<u>103</u>
Taxation on profit on ordinary activities	<u>1,263</u>	<u>879</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:

	2021 £000	2020 £000
Profit on ordinary activities before tax	<u>6,851</u>	<u>4,059</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,302	771
Effects of:		
Expenses not deductible for tax purposes	5	20
R&D income not taxable	(36)	(26)
Share scheme deduction	(1)	(3)
Rate differential on deferred tax	-	105
Group relief received for nil payment	-	(19)
Tax under provided in previous years	(10)	31
Other differences leading to an increase (decrease) in the tax charge	3	-
Total tax charge for the year	<u>1,263</u>	<u>879</u>

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

10. Taxation (continued)

Factors that may affect future tax charges

The UK Government, in the March 2020 Budget, set the UK corporation tax rate for the years starting 1 April 2020 and 2021 to remain at 19%. This rate has been used when calculating deferred tax at the reporting date. Deferred tax balances at the reporting date are measured at 19% (2019 - 17%).

The UK government, in the March 2021 Budget, announced a corporation tax rate of 25% from 2023. Since this had not been enacted at the statement of financial position date, the unwinding of deferred tax has temporary timing differences has been calculated based on 19%.

11. Dividends

	2021 £000	2020 £000
1st interim 2021 £Nil per share (2020 - £0.9591 per share)	-	432
2nd interim 2021 £Nil per share (2020 - £0.9815 per share)	-	442
3rd interim 2021 £Nil per share (2020 - £0.0249 per share)	-	11
4th interim 2021 £Nil per share (2020 - £0.0165 per share)	-	8
5th interim 2021 £Nil (2020 - £3.2020)	-	1,462
6th interim 2021 £Nil per share (2020 - £0.0103 per share)	-	5
	<u>-</u>	<u>2,360</u>

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

12. Tangible fixed assets

	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation				
At 1 April 2020	9,901	90	2,654	12,645
Additions	236	-	346	582
At 31 March 2021	<u>10,137</u>	<u>90</u>	<u>3,000</u>	<u>13,227</u>
Depreciation				
At 1 April 2020	5,747	90	1,982	7,819
Charge for the year on owned assets	583	-	291	874
At 31 March 2021	<u>6,330</u>	<u>90</u>	<u>2,273</u>	<u>8,693</u>
Net book value				
At 31 March 2021	<u>3,807</u>	<u>-</u>	<u>727</u>	<u>4,534</u>
At 31 March 2020	<u>4,154</u>	<u>-</u>	<u>672</u>	<u>4,826</u>

13. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 April 2020	2,231
At 31 March 2021	<u>2,231</u>

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

13. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Airedale Sheet Metal Limited	Ordinary shares	100%	Non-trading
Airedale Compact Systems Limited	Ordinary shares	100%	Non-trading
Barkell Limited	Ordinary shares	100%	Manufacture and sale of air handling units
Airedale Group Limited	Ordinary shares	100%	Non-trading

The registered address of, Airedale Sheet Metal Limited, Airedale Compact Systems Limited and Airedale Group Limited is Leeds Road, Rawdon, Leeds, West Yorkshire, LS19 6JY.

The registered address of Barkell Limited is Unit 22 No 1 Industrial Estate, Consett. Co. Durham, DH8 6B2.

14. Stocks

	2021 £000	2020 £000
Raw materials and consumables	4,491	3,604
Work in progress (goods to be sold)	2,458	1,614
Finished goods and goods for resale	6,552	5,458
	13,501	10,676

Stocks are stated net of provisions of £0.5m (2020 - £0.4m).

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

15. Debtors

	2021 £000	2020 £000
Due after more than one year		
Prepayments and accrued income	120	172
	2021 £000	2020 £000
Due within one year		
Trade debtors	15,547	15,080
Amounts owed by group undertakings	3,965	4,961
Other debtors	18	-
Prepayments and accrued income	382	417
	19,912	20,458

Trade debtors are stated net of provisions for impairment of £0.06m (2020 - £0.4m). No security is held for non-trading balances owed by group undertakings, which are repayable on demand. Interest is receivable on non-trading intercompany balances at a rate of Euribor +2.00% (2020 - Euribor +2.00%).

16. Creditors: amounts falling due within one year

	2021 £000	2020 £000
Bank loans	3,920	9,165
Trade creditors	9,475	7,675
Amounts owed to group undertakings	3,645	4,135
Corporation tax	88	121
Other taxation and social security	1,260	1,309
Accruals and deferred income	3,498	3,221
	21,886	25,626

Interest is payable on non-trading intercompany balances at a rate of 2.57% (2020 - 2.57%). No security is held for non-trading balances owed to group undertakings, which are repayable on demand.

Interest is payable on bank loans balances at a rate of 2.33% (2020 - 2.33%). No security is held for bank loans owed, which are subject to revolving terms and are repayable on demand.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

17. Deferred taxation

	2021 £000
At beginning of year	995
Charged to profit or loss	28
At end of year	1,023

The provision for deferred taxation is made up as follows:

	2021 £000	2020 £000
Accelerated capital allowances	510	479
Deferred gains	533	533
Other timing differences	(20)	(17)
	1,023	995

18. Other provisions

	Warranty provision £000
At 1 April 2020	464
Utilised in year	(158)
Charged to profit or loss	194
At 31 March 2021	500

The company gives warranties at point of sale its products to customers. It is anticipated that the majority of cash outflows in respect of the year end balance will occur between one and three years.

19. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
450,000 ordinary shares of £1 each	450	450

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

20. Reserves

The company's capital and reserves are as follows:

Called up share capital

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

Capital redemption reserve

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.

Profit and loss account

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

21. Contingent liabilities

The company has given bank guarantees relating to customs and other bonds of £0.1m (2020 - £0.1m).

There were no other contingent liabilities at 31 March 2021 (2020 - £Nil).

22. 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 £1.1m (2020 - £0.1m). Contributions totalling £0.2m (2020 - £0.1m) were payable to the fund at the reporting date and are included in creditors.

Airedale International Air Conditioning Limited

Notes to the Financial Statements For the Year Ended 31 March 2021

23. Commitments under operating leases

At 31 March 2021 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £000	2020 £000
Land and buildings		
Not later than 1 year	1,483	940
Later than 1 year and not later than 5 years	5,041	3,993
Later than 5 years	2,692	4,088
	<u>9,216</u>	<u>9,021</u>
	2021 £000	2020 £000
Vehicles, plant and equipment		
Not later than 1 year	145	256
Later than 1 year and not later than 5 years	37	182
	<u>182</u>	<u>438</u>

24. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

25. Ultimate parent company and controlling party

The immediate parent undertaking is Modine UK Dollar Limited, a company registered in the United Kingdom.

The ultimate parent undertaking and controlling party is Modine Manufacturing Company Inc. a company incorporated in the USA. Modine Manufacturing Company Inc. is the parent of the smallest and largest group of undertakings for which financial statements were drawn up and of which Airedale International Air Conditioning Limited is a member. Copies of the group financial statements of Modine Manufacturing Company Inc. may be obtained from its registered office at 1500 DeKoven Avenue, Racine, Wisconsin, USA.