

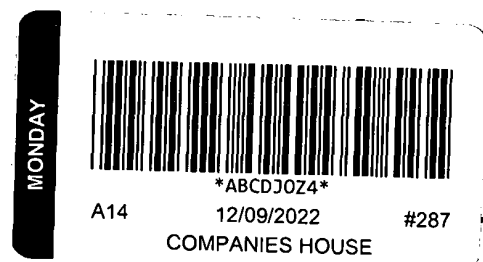
Registration number: 04266884

# Cambridge Glasshouse Company Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Forrester Boyd  
Chartered Accountants  
26 South Saint Mary's Gate  
Grimsby  
North East Lincolnshire  
DN31 1LW



## **Cambridge Glasshouse Company Limited**

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## **Cambridge Glasshouse Company Limited**

### **Company Information**

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**Directors**

L A Bradley  
R J Clark  
P J Harte  
D C R Hibbs  
S A Hinch  
J D Holland  
I D Mackenzie

**Company secretary** R J Clark

**Registered office** Unit 7 Wallingfen Business Park  
236 Main Road  
Newport  
Brough  
East Yorkshire  
HU15 2RH

**Auditors** Forrester Boyd  
Chartered Accountants  
26 South Saint Mary's Gate  
Grimsby  
North East Lincolnshire  
DN31 1LW

## Cambridge Glasshouse Company Limited

### Strategic Report for the Year Ended 31 December 2021

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The directors present their strategic report for the year ended 31 December 2021.

#### Principal activity

The principal activity of the company is that of designing and manufacturing glasshouses, heating systems, computer controls and vertical farms.

#### Fair review of the business

In March 2021 the business was acquired by Atrium Agri B.V. a Dutch group with a global reach within the international horticulture sector. The new group structure will allow the company to continue to further develop and enhance our UK and International offering with the knowledge that additional backing in the form of the wider group that we now operate within will enable us to be better placed to tackle larger, more complex projects with the added ability to be able to leverage greater knowledge and deliver to an even better standard on the projects that we undertake.

That being said, the current financial year saw unprecedented challenges being faced due to the COVID-19 pandemic which surfaced in March 2020. The company successfully weathered the 2020 challenges associated with COVID-19 and had a record year with turnover at £30.3m. The high profile projects that were won in 2020 spanned 2020 and 2021 financial years and helped to provide some stability in an otherwise slow market with sales in 2021 dropping to £13.6m. This can be largely attributed to potential clients delaying the start of their projects given the continuing uncertainties caused by the COVID-19 pandemic in addition to other external pressures such as the above inflationary increases in the cost of gas, a significant cost in the running of a glasshouse, which in turn has caused funding delays to projects that otherwise may have gone ahead during the year. Despite these challenges, the company had a reasonable year and remained profitable with an extremely strong pipeline heading into 2022.

The gross margin has increased from 11.8% to 20.2% primarily due to the nature of the project work undertaken. Despite the gross margin increasing, increased headcount and associated costs as the business recruited to cover the transition to the new ownership structure meant that the operating margin decreased from 3.5% to 1.2%. It is anticipated that overhead costs will remain higher than previous years during 2022 as the transitional costs described above continue.

The Directors continue to review the skills, knowledge and competence of the workforce to ensure that they are appropriate for the increasing technical challenges that face the business in its new markets and also meet the demands placed upon the business by increased levels of business secured. The Directors would like to thank the workforce for their commitment during the year as operations continued throughout the pandemic. Health and safety has continued to be a major focus over the past year and additional processes have been introduced to further improve our practices, particularly given the impact of the pandemic.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2021	2020
Turnover	£	13,636,572	30,340,280
Gross profit	£	2,751,568	3,587,832
Gross profit margin	%	20	12
Operating profit	£	167,381	1,055,257
Operating profit margin	%	1	3

#### Principal risks and uncertainties

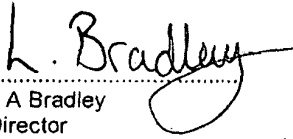
The Directors have considered the principal risks and uncertainties faced by the company and deem these to be the potential devaluation of sterling which will increase supply chain costs, the potential delay in obtaining materials due to the pandemic and ongoing strains to the supply chain along with significant cost price increases being driven by global demand of commodities and importantly, the ever increasing cost of fossil fuels. This being said the devaluation of sterling impacts the majority of competitors and the delivery of materials is not extremely time sensitive and therefore any customs or production delays are considered manageable.

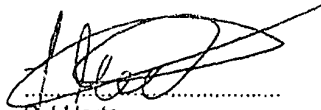
**Cambridge Glasshouse Company Limited**

**Strategic Report for the Year Ended 31 December 2021**

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Approved and authorised by the Board on 1 March 2022 and signed on its behalf by:

  
.....  
L A Bradley  
Director

  
.....  
P J Harte  
Director

## **Cambridge Glasshouse Company Limited**

### **Directors' Report for the Year Ended 31 December 2021**

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The directors present their report and the financial statements for the year ended 31 December 2021.

#### **Director of the company**

The directors who held office during the year were as follows:

L A Bradley (appointed 26 April 2021)

P J Harte (appointed 26 April 2021)

D C R Hibbs

S A Hinch

J D Holland

The following directors were appointed after the year end:

R J Clark - Company secretary and director (appointed 1 January 2022)

I D Mackenzie (appointed 1 January 2022)

#### **Financial instruments**

##### ***Objectives and policies***

The company uses financial instruments, other than derivatives, comprising cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations.

The company also trades in Euros purchasing materials for projects and its policy is to protect the projects exchange rates by using forward currency contracts.

Any financial instruments used by the company are for margin protection only and does not speculate for profit purposes.

##### ***Price risk, credit risk, liquidity risk and cash flow risk***

Each and every project is priced against the clients specification or an inhouse written specification using up to date supplier prices. Estimates for large projects are reviewed and signed off by a Director before they are issued.

The company always checks a customers ability to pay either through routine credit checks or by sight of the financing instrument used by the client to finance the project. The company also has a large number of loyal and blue chip customers who have strong balance sheets and cashflows and are therefore viewed as low credit risk by the company.

The Directors of the company review the cashflow of the business on a monthly basis and monitor actual cashflows against forecast. The Directors are of the opinion that the company has adequate cashflow facilities to run its business and fund its ongoing growth aspirations.

#### **Future developments**

The Directors have developed a vision of the Group's growth for the medium term and are currently restructuring the groups Business Development and senior management functions to facilitate the creation of the desired sales opportunities and also restructuring the project delivery and back office functions to create additional management skills and capacity capable of delivering the ongoing growth.

The company successfully invested in back office IT infrastructure during 2018 with the capacity and robustness to accommodate ongoing levels of growth. The investment also catered for robust work away and disaster recovery.

#### **Research and development**

The Directors are engaging in applied R&D to grow further its knowledge base and creating technical solutions that will give it a unique market position that will generate additional business in future years.

#### **Disclosure of information to the auditors**

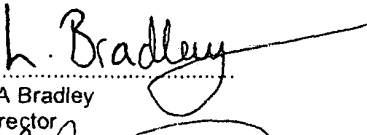
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

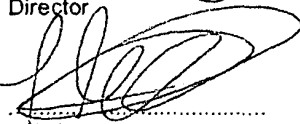
**Cambridge Glasshouse Company Limited**

**Directors' Report for the Year Ended 31 December 2021**

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Approved and authorised by the Board on 1 March 2022 and signed on its behalf by:

  
.....  
L A Bradley  
Director

  
.....  
P J Harte  
Director

## **Cambridge Glasshouse Company Limited**

### **Statement of Directors' Responsibilities**

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The directors acknowledge their responsibilities for preparing the Annual 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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



## **Cambridge Glasshouse Company Limited**

### **Independent Auditor's Report to the Members of Cambridge Glasshouse Company Limited**

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#### **Opinion**

We have audited the financial statements of Cambridge Glasshouse Company Limited (the 'company') for the year ended 31 December 2021, which comprise the Statement of Income and Retained Earnings, Balance Sheet, 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).

In our opinion the financial statements:

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

#### **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 responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

#### **Other information**

The directors are responsible for the other information. The other information comprises the information 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

## **Cambridge Glasshouse Company Limited**

### **Independent Auditor's Report to the Members of Cambridge Glasshouse Company Limited**

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

In the light of our 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 and the Directors' Report.

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

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

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor Responsibilities for the audit of the financial statements**

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

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

- Discussions with management, including consideration of known or suspected instances of non-compliance, held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as the stage of completion and valuation of long term contracts.
- Identification of key laws and regulations central to the Company's operation and review of compliance with such laws.
- Testing of journal entries and potential areas for management override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

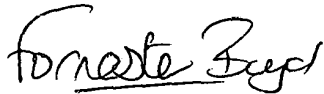
## **Cambridge Glasshouse Company Limited**

### **Independent Auditor's Report to the Members of Cambridge Glasshouse Company Limited**

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#### **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.



Kevin Hopper BFP FCA (Senior Statutory Auditor)  
For and on behalf of Forrester Boyd, Statutory Auditor

26 South Saint Mary's Gate  
Grimsby  
North East Lincolnshire  
DN31 1LW

1 March 2022

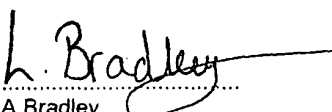
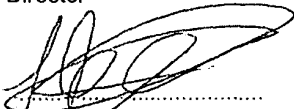
**Cambridge Glasshouse Company Limited****Statement of Income and Retained Earnings for the Year Ended 31 December 2021**

	Note	2021 £	2020 £
Turnover	3	13,636,572	30,340,280
Cost of sales		<u>(10,885,004)</u>	<u>(26,752,448)</u>
Gross profit		2,751,568	3,587,832
Administrative expenses		(2,666,562)	(2,655,549)
Other operating income	4	<u>82,375</u>	<u>122,974</u>
Operating profit	6	167,381	1,055,257
Interest payable and similar charges	7	(13,754)	(5,747)
Exceptional costs	5	<u>-</u>	<u>(334,759)</u>
Profit before tax		153,627	714,751
Taxation	11	<u>121,415</u>	<u>(154,344)</u>
Profit for the financial year		275,042	560,407
Retained earnings brought forward		4,628,629	4,133,108
Dividends paid		<u>(3,000,000)</u>	<u>(64,886)</u>
Retained earnings carried forward		<u><u>1,903,671</u></u>	<u><u>4,628,629</u></u>

**Cambridge Glasshouse Company Limited****(Registration number: 04266884)****Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	12	86,838	121,344
<b>Current assets</b>			
Stocks	13	163,783	68,398
Debtors	14	3,989,715	3,085,079
Cash at bank and in hand	15	2,941,178	9,585,787
		7,094,676	12,739,264
<b>Creditors: Amounts falling due within one year</b>	16	(5,209,793)	(8,148,157)
<b>Net current assets</b>		1,884,883	4,591,107
<b>Total assets less current liabilities</b>		1,971,721	4,712,451
<b>Creditors: Amounts falling due after more than one year</b>	16	(50,770)	(65,402)
<b>Provisions for liabilities</b>	17	(16,280)	(17,420)
<b>Net assets</b>		1,904,671	4,629,629
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Profit and loss account	20	1,903,671	4,628,629
<b>Shareholders' funds</b>		1,904,671	4,629,629

Approved and authorised by the Board on 1 March 2022 and signed on its behalf by:

  
L A Bradley  
Director  
P J Harte  
Director

## **Cambridge Glasshouse Company Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

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#### **1 General information**

The company is a private company limited by share capital, incorporated in United Kingdom and the company registration number is 04266884.

The address of its registered office is:

Unit 7 Wallingfen Business Park  
236 Main Road  
Newport  
Brough  
East Yorkshire  
HU15 2RH

These financial statements were authorised for issue by the Board on 1 March 2022.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

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

##### **Basis of preparation**

These financial statements have been prepared to cover the individual entity using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

##### **Summary of disclosure exemptions**

The Company has taken advantage of the exemptions within FRS 102 Section 1.2 relating to subsidiary companies.

##### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the Company's activities.

##### **Contract revenue recognition**

Revenue from long term contracts is recognised by stage of completion. Stage of completion is measured by reference to costs incurred to date as a percentage of total estimated costs for each contract. Where the contract outcome cannot be measured reliably, revenue is measured only to the extent of the expenses recognised that are recoverable. Full provision is made for losses on all contracts in the year in which they are first foreseen.

##### **Government grants**

Government grants which become receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, are recognised as income in the period in which they become receivable.

## Cambridge Glasshouse Company Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

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#### Foreign currency transactions and balances

Transactions in foreign currency are recorded at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange rate differences are included in the Statement of Income and Retained Earnings.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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 taxable income.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using rates and allowances that apply to the sale of the asset.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold land and buildings	2% straight line method
Plant and machinery	20% straight line method
Motor vehicles	25% straight line method
Office equipment	25% straight line method

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in the Statement of Income and Retained Earnings.

## **Cambridge Glasshouse Company Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

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#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Income and Retained Earnings over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Income and Retained Earnings on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Statement of Income and Retained Earnings and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

#### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### **Dividends**

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

#### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.



## Cambridge Glasshouse Company Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

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#### 3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021 £	2020 £
Sale of goods	<u>13,636,572</u>	<u>30,340,280</u>

The analysis of the company's turnover for the year by market is as follows:

	2021 £	2020 £
UK	12,111,558	30,177,443
Europe	<u>1,525,014</u>	<u>162,837</u>
	<u>13,636,572</u>	<u>30,340,280</u>

The amount of contract revenue recognised as revenue in the year was £13,636,572 (2020 - £30,340,280).

#### 4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2021 £	2020 £
Government grants	5,620	65,419
Miscellaneous other operating income	<u>76,755</u>	<u>57,555</u>
	<u>82,375</u>	<u>122,974</u>

Included within Government grants is £5,620 (2020: £65,419) relating to the Coronavirus Job Retention Scheme (CJRS).

#### 5 Exceptional costs

	2021 £	2020 £
Health and Safety Executive fine	<u>-</u>	<u>(334,759)</u>

#### 6 Operating profit

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	42,746	40,512
Foreign exchange gains	-	(6,463)
Operating lease expense - property	80,091	80,091
Profit on disposal of property, plant and equipment	<u>(1,435)</u>	<u>(10,000)</u>

## Cambridge Glasshouse Company Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

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#### 7 Interest payable and similar expenses

	2021 £	2020 £
Interest on obligations under finance leases and hire purchase contracts	5,442	1,803
Interest expense on other finance liabilities	8,312	3,944
	<u>13,754</u>	<u>5,747</u>

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021 £	2020 £
Wages and salaries	2,649,713	2,617,629
Social security costs	304,316	347,227
Pension costs, defined contribution scheme	208,585	137,166
Other employee expense	13,790	10,499
	<u>3,176,404</u>	<u>3,112,521</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021 No.	2020 No.
Production	32	29
Administration and support	38	34
	<u>70</u>	<u>63</u>

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021 £	2020 £
Remuneration (including benefits in kind)	402,515	333,864
Contributions paid to money purchase schemes	67,340	21,958
	<u>469,855</u>	<u>355,822</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2021 No.	2020 No.
Accruing benefits under money purchase pension scheme	<u>4</u>	<u>3</u>

In respect of the highest paid director:

	2021 £	2020 £
Remuneration	114,700	114,572
Company contributions to money purchase pension schemes	<u>8,080</u>	<u>7,750</u>

# Cambridge Glasshouse Company Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 10 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>11,500</u>	<u>11,500</u>

### 11 Taxation

Tax charged/(credited) in the income statement

	2021 £	2020 £
<b>Current taxation</b>		
UK corporation tax	(120,275)	145,738
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	<u>(1,140)</u>	<u>8,606</u>
Tax (receipt)/expense in the income statement	<u>(121,415)</u>	<u>154,344</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2020 - higher than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Profit before tax	<u>153,627</u>	<u>714,751</u>
Corporation tax at standard rate	29,189	135,803
Effect of expense not deductible in determining taxable profit (tax loss)	2,174	63,672
UK deferred tax expense relating to changes in tax rates or laws	3,906	-
Tax decrease from effect of adjustment in research and development tax credit	<u>(156,684)</u>	<u>(45,131)</u>
Total tax (credit)/charge	<u>(121,415)</u>	<u>154,344</u>

On 24 May 2021 the UK Government enacted a bill which will increase the main rate of corporation tax in the UK from 19% to 25% from 1 April 2023. Deferred tax has been calculated at 25% on all relevant timing differences which are expected to reverse after this date.

### Deferred tax

Deferred tax assets and liabilities

	Liability £
<b>2021</b>	
Accelerated capital allowances	<u>16,280</u>
<b>2020</b>	
Accelerated capital allowances	<u>17,420</u>

# Cambridge Glasshouse Company Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 12 Tangible assets

	Short leasehold land and buildings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 January 2021	53,477	188,413	103,805	55,259	400,954
Additions	-	-	8,305	-	8,305
Disposals	-	-	-	(3,100)	(3,100)
At 31 December 2021	53,477	188,413	112,110	52,159	406,159
<b>Depreciation</b>					
At 1 January 2021	53,477	111,972	77,363	36,798	279,610
Charge for the year	-	20,027	15,064	7,655	42,746
Eliminated on disposal	-	-	-	(3,035)	(3,035)
At 31 December 2021	53,477	131,999	92,427	41,418	319,321
<b>Carrying amount</b>					
At 31 December 2021	-	56,414	19,683	10,741	86,838
At 31 December 2020	-	76,441	26,442	18,461	121,344

### Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2021 £	2020 £
Motor vehicles	10,741	18,397
Plant and machinery	5,950	11,600
Office equipment	8,879	21,197
	<u>25,570</u>	<u>51,194</u>

All of the above assets have been pledged as security for the finance lease to which the asset relates.

### 13 Stocks

	2021 £	2020 £
Raw materials and consumables	<u>163,783</u>	<u>68,398</u>

# Cambridge Glasshouse Company Limited

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 14 Debtors

	Note	2021 £	2020 £
Trade debtors		1,032,047	789,186
Amounts owed by related parties	25	1,911,132	-
Other debtors		40,312	902,425
Prepayments		167,573	144,506
Amounts recoverable on long term contracts		718,376	1,248,962
Corporation tax asset	11	120,275	-
Total current trade and other debtors		<u>3,989,715</u>	<u>3,085,079</u>

### 15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	153	582
Cash at bank	<u>2,941,025</u>	<u>9,585,205</u>
	<u>2,941,178</u>	<u>9,585,787</u>

### 16 Creditors

	Note	2021 £	2020 £
<b>Due within one year</b>			
Loans and borrowings	21	244,471	29,888
Trade creditors		2,472,865	4,268,499
Amounts due to related parties	25	500,000	1,480
Social security and other taxes		607,389	1,960,678
Outstanding defined contribution pension costs		11,379	630
Other payables		-	83,043
Accruals		806,833	1,140,936
Corporation tax liability	11	-	190,869
Gross amounts due to customers for contract work		<u>566,856</u>	<u>472,134</u>
		<u>5,209,793</u>	<u>8,148,157</u>
<b>Due after one year</b>			
Loans and borrowings	21	<u>50,770</u>	<u>65,402</u>

### 17 Deferred tax and other provisions

	Deferred tax £	Total £
At 1 January 2021	17,420	17,420
Increase (decrease) in existing provisions	<u>(1,140)</u>	<u>(1,140)</u>
At 31 December 2021	<u>16,280</u>	<u>16,280</u>

## Cambridge Glasshouse Company Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

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#### 18 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £208,585 (2020 - £137,166).

Contributions totalling £11,379 (2020 - £630) were payable to the scheme at the end of the year and are included in creditors.

#### 19 Share capital

##### Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

##### Rights, preferences and restrictions

Ordinary have the following rights, preferences and restrictions:

Full voting and participation rights with no restriction on distribution of dividends or repayment of capital.

#### 20 Reserves

Called up share capital

Called up share capital comprises of the value of issued share capital at par.

Profit and loss account

The profit and loss account consists of profits made by the company attributable to the shareholders of the company.

#### 21 Loans and borrowings

	2021 £	2020 £
<b>Non-current loans and borrowings</b>		
Hire purchase contracts	<u>50,770</u>	<u>65,402</u>
<b>Current loans and borrowings</b>		
Hire purchase contracts	20,066	29,888
Other borrowings	<u>224,405</u>	<u>-</u>
	<u>244,471</u>	<u>29,888</u>

##### Secured creditors

Included within hire purchase contracts are secured liabilities which are denominated in sterling. The carrying amount at the year end is £70,836 (2020 - £95,290). The total aggregate amount of secured creditors is £70,836 (2020 - £95,290).

## Cambridge Glasshouse Company Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 22 Obligations under leases and hire purchase contracts

##### Finance leases

The amounts outstanding on hire purchase contracts are secured upon the assets to which the contract relates.

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	20,066	29,888
Later than one year and not later than five years	31,502	60,476
Later than five years	19,268	4,926
	<u>70,836</u>	<u>95,290</u>

##### Operating leases

The total of future minimum lease payments is as follows:

	2021 £	2020 £
Not later than one year	80,091	73,201
Later than one year and not later than five years	213,576	268,404
	<u>293,667</u>	<u>341,605</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £80,091 (2020 - £73,201).

#### 23 Financial commitments, guarantees and contingencies

The company is part of an unlimited cross guarantee arrangement in respect to amounts owed to the bank by Atrium Agri B.V. and fellow group companies.

#### 24 Analysis of changes in net debt

	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
<b>Cash and cash equivalents</b>			
Cash	582	(429)	153
Cash equivalents	<u>9,585,205</u>	<u>(6,644,180)</u>	<u>2,941,025</u>
	<u>9,585,787</u>	<u>(6,644,609)</u>	<u>2,941,178</u>
<b>Borrowings</b>			
Short term borrowings	-	(224,405)	(224,405)
Lease liabilities	<u>(95,290)</u>	<u>24,454</u>	<u>(70,836)</u>
	<u>(95,290)</u>	<u>(199,951)</u>	<u>(295,241)</u>
	<u>9,490,497</u>	<u>(6,844,560)</u>	<u>2,645,937</u>

## Cambridge Glasshouse Company Limited

### Notes to the Financial Statements for the Year Ended 31 December 2021

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#### 25 Related party transactions

The company has taken advantage of the exemption in section 33 of FRS 102 'Related Party Disclosures' from disclosing transactions with other members of the group in which any subsidiary which is a party to the transaction is wholly owned by the group.

#### Key management compensation

	2021 £	2020 £
Salaries and other short term employee benefits	656,062	550,971
Post-employment benefits	75,100	28,536
	<u>731,162</u>	<u>579,507</u>

#### Transactions with directors

Dividends paid to directors in the year total £Nil (2020 - £64,886).

	At 1 January 2021 £	Repayments by director £	At 31 December 2021 £
2021			
Directors' loan account	<u>900,000</u>	<u>(900,000)</u>	<u>-</u>
	At 1 January 2020 £	Advances to directors £	At 31 December 2020 £
2020			
Directors' loan account	<u></u>	<u>900,000</u>	<u>900,000</u>

#### 26 Parent and ultimate parent undertaking

The ultimate holding company is Atrium Agri B.V., incorporated in the Netherlands. The company's immediate parent is Cambridge Group Holding Limited, incorporated in the United Kingdom.

The most senior parent entity producing publicly available financial statements is Cambridge Group Holding Limited. These financial statements are available upon request from the registered office of the Company, which is the same as the Parent Company and is listed on page 1.