Company Registration No. 05541667 (England and Wales)

PACIFICA GROUP LIMITED

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2021

PACIFICA GROUP LIMITED

COMPANY INFORMATION

Directors	S Pallister K Brown P R Ralphs P F Feek S A Hall
Secretary	S Pallister
Company number	05541667
Registered office	Pacifica House Rainton Business Park Houghton Le Spring England DH4 5RA
Auditor	RSM UK Audit LLP Chartered Accountants 1 St. James' Gate Newcastle upon Tyne United Kingdom NE1 4AD

PACIFICA GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

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

Founded in 2003 by a small group of energy sector experts, Pacifica Group Limited ('The Group') is now one of the UK's largest support services organisations, serving a number of core sectors centred around the electrical appliance, domestic heating, and home owner markets. The business is one of the UK's largest providers of home appliance, gas heating, inspection, repair, and replacement services. We also provide product warranty, performance intelligence, software solutions and spare parts directly to consumers and corporate partners across the UK and Ireland.

The principal activity of the company is that of an intermediate holding company.

Principal activities, trading review and future development
The principal activities of the Group are:

- The repair of all types of Electrical Appliance and Technology Products
- The sale and administration of Insurance Products
- The repair, installation and servicing of Central Heating systems
- The sale and development of field service management software
- The sale and installation of renewable energy systems

Operations
The Group operates a number of subsidiary businesses carrying out the activities listed above, with each business having its own dedicated operational model. Within the Repair and installation business units, focus remains clearly set on ensuring high quality service is delivered to both clients and customers alike. These services are delivered through our own "Pacifica Group" and "0800 Repair" branded Engineers, with over 322 Employed Engineers throughout the UK and Northern Ireland in the Group.

Despite the pandemic, the Group has continued to invest in its core service activities, increasing average staff numbers in the year from 529 to 599. The majority of these being investment in our field based engineers and associated management as the Group expands its operation and job volume.

During the year the Group acquired 100% of the shares in TK Garnham & Sons Limited and The Domestic Appliance Company Limited, Whitegoods repair companies based in Suffolk and Birmingham respectively. Both companies have been fully integrated to Pacifica Appliance Services Limited in the year, increasing the UK footprint of the Whitegoods field division and strengthening our presence in the South East and Midlands. This is part of our continued Appliance Services acquisition strategy which we expect to continue during 2022 and beyond.

Sales and Marketing
The business has grown through reputation within our sectors; Group turnover is £52.0m up £0.8m from the previous year due to the impact of COVID during the year. The business is committed to continue growing organically through new and existing client contracts as well as the broadening of the service proposition.

The Group expects a further growth in revenue in the financial year ended 31 March 2022, as the Group continues to grow its existing customer base and job volume in addition to making further progress in its Appliance Services acquisition programme.

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

	Unit	2021	2020
Turnover	£m	52.0	51.2
Gross margin	%	20.5	22.5
No, of appliance repairs	'000	251	255
Core Home Services installations	No.	8,648	8,719

COVID-19 impact
The markets in which our businesses operate were impacted significantly by COVID 19 during the financial year. However, our response to the pandemic has provided us with may positive outcomes including improved operational benefits. Significant investment has been made in the operations structure and processes around the group and along with significant software improvements. This has resulted in a more efficient operation than before the pandemic began.

Both the Appliance Service and Home Service business units have recovered strongly from early COVID impacted performance levels early in the year, government regulations and customer confidence having impacted levels of trading.

The business returned to normal levels of trading by the end of the financial year, and in some area's exceeded previous trading levels.

Our priority throughout the Covid-19 pandemic has been the safety and wellbeing of our people, our customers and the communities we work with. Despite the year's challenges, our strong operation delivery model has continued to set us apart, proving incredibly resilient and ensured we are bouncing back strongly after the first lockdown period.

Our Appliance services division, whilst seeing trading volumes impacted at the start of the 2021 financial year, quickly returned to normal levels by July 2020 and, supported by the acquisition of TK Garnham & Sons Limited and The Domestic Appliance Company Limited in year, the division saw growth in volume in the final half of the year on pre-Covid trading.

In Pacifica Home Services, again, the volume of trading recovered to normal levels around September 2020. The business has seen growth in the latter part of the year and start of 2022 financial year due primarily to the government roll out of the Green Home Grants scheme promoting the installation of domestic renewable heating systems.

The UK Warranty business has continued to grow strongly with its innovative product range and robust claims platform. The business was largely unaffected by COVID and developed further as a result of new contract wins and trading improvements of key client partnerships.

During the lockdown period, in common with many businesses, we utilised the governments COVID financial support package, using the Furlough scheme for several months as service demand has reduced and deferring Crown debts for three months.

Future strategy developments
Our priority throughout the Covid-19 pandemic has been the safety and wellbeing of our people, our customers and the communities we work with. Despite the year's challenges, our strong operation delivery model has continued to set us apart, proving incredibly resilient and ensured we are bouncing back strongly after the first lockdown period.

The group will continue to focus on its core objectives; "To be the best at what we do" and "To deliver world class service to our customers"; this involves improving the efficiency of service delivery, and increasing both customer satisfaction and profitability. Whilst the financial year ending March 2021 has been impacted by COVID, we have seen monthly trading exceeding to pre-COVID levels and we expect to see strong results and growth for year ended March 2022.

We have a pipeline of sales which exceeds expectation and will ultimately result in the employment and training of more directly employed engineers to support the current cohort of 400+ field based engineers and an overall headcount across the business.

We will increase investment in our colleagues with the addition of two new facilities:

- Renewable Energy Academy in the North East will be responsible for the training and development of our Engineering teams in renewable technology repair and installation.
- Sales Contact Centre in Southampton will specialise in the sale of warranty and related products.

On 19 January 2022 one of the Companies main trading subsidiaries, Pacifica Home Services Limited was disposed of, with 90% of the Pacifica Home Services Limited's share capital was acquired, through a management buyout, by Viessmann Investment UK Holding Limited, a Company ultimately owned by Viessmann Group GMBH & CO KG , with Management acquiring the remaining 10%.

Principle risks and uncertainties
The primary risks to achieving the business strategy have been identified and outlined below:

Risk	**Potential impact**	**Mitigation**
Strategic	Failure to meet planned growth targets, therefore significantly reducing the potential to realise the EBITDA level the business expects to achieve.	The business constantly reviews actual performance against budget and performs ongoing rolling forecasting of each division. Any potential drop in growth is managed through the forecast, with revised targets shared with management to ensure delivery is brought back on track within an agreeable time frame. The business maintains a strong pipeline of future sales opportunities at all times and has gained a number of significant new clients through FY21 and into FY22.
People	The risk the business does not attract, retain, and develop talent required to deliver its strategic and operational objectives.	A fully operational people strategy is in operation covering the following: • Recruitment • Retention • Training and Development • Performance Management • Diversity and inclusion • Remuneration Policy • Succession Planning • Health and Safety Pacifica regularly review the engagement and wellbeing of employees through various employee wellbeing surveys, with actions being taken where required.

Conduct and Quality	Pacifica provide essential services to clients and the general public. It is vitally important that the services delivered are high quality and deliver the right outcomes for customers.	The business has a number of controls in place to measure and manage the conduct of teams delivering services to clients and customers: • Employee onboarding and vetting • Field Engineer Audits • Call monitoring of Service Desk and Sales teams • Customer feedback through NPS, CSAT and Trust Pilot.
Client Relationships	The . majority of Pacifica's business is through the relationships with Manufacturers and Insurance Providers. The loss of a substantial client could impact the delivery of the overall strategic business plan.	The business maintains excellent partnerships and long-term contracts with it's client base. It operates on both a strategic and operational level with dedicated resource assigned to each. Pacifica monitors closely client activity to ensure service delivery aligns.
Covid 19	The business could be impacted should government restrict work taking place in customer homes in the event of a new strain of Coronavirus.	The business achieved Key Worker status for staff within the Company early in the pandemic impact period. Should restrictions be reimposed in the future the Company is well placed continue to operate in customer homes safely minimising health and safety risks. Added to this our administration teams have maintained hybrid working throughout.

Section 172(1) statement
The Directors of the Group, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

'A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (amongst other matters) to:

- The likely consequences of any decisions in the long-term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and

It is also important to recognise that in a large organisation such as ours, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees of the Company.

Material decisions taken by the Board during the year include the development and approval of a 5 year forecast and strategy, significant investment in two acquisitions and the furlough of a number of employees, to mitigate the impact of COVID 19 on the Group (as discussed earlier in this report).

Additionally, the Group continued infrastructure investment to support the growth objectives, investments included an expansion of capacity within our national distribution centre to increase capacity by adding an additional 25,000 sq feet of floor space as well as the continued investment in IT development.

The following paragraphs summarise how the Directors' fulfil their duties.

Our people
The Group is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. People are at the heart of our specialist services. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour so we achieve our goals in the right way.

We communicate regularly with our employees through a variety of channels including e-mails, group newsletters in addition to letters.

Business relationships
The Group is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. People are at the heart of our specialist services. For our business to succeed we need to manage our people's performance and develop and bring through talent while ensuring we operate as efficiently as possible. We must also ensure we share common values that inform and guide our behaviour so we achieve our goals in the right way.

We communicate regularly with our employees through a variety of channels including e-mails, group newsletters in addition to letters.

Commuity and environment
Part of our strategy is to generate organic growth, driven by cross-selling and up-selling services to existing clients and bringing new clients into the Group. To do this, we need to develop and maintain strong client relationships and take into account customer requirements when offering and delivering our services. We value all of our suppliers and operate with transparency and honesty to maintain positive supplier relationships.

The Group's approach is to use our position of strength to create positive change for the people and communities with which we interact. We want to leverage our expertise and enable colleagues to support the communities around us.

On behalf of the board

Kevin Brown

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K Brown
Director

Date: 28/03/22

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

The principal activities of the group are listed in the Strategic report.

Results and dividends
The results for the year are set out on page 13.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S Pallister	
K Brown	
M Norden	(Resigned 21 January 2022)
P R Ralphs	
P F Feek	
S A Hall	(Appointed 21 January 2022)

Financial instruments

Objectives and policies
The Group has an established, structured approach to risk management. The Group's activities expose it to a variety of financial risks, such as interest, credit, liquidity and cash flow risks. The Group has adopted risk management policies that seek to mitigate these risks in a cost-effective manner. Financial assets that expose the group to financial risk consist primarily of trade receivables and cash. Financial liabilities that expose the company to financial risk consist principally of trade payables, bank borrowings and invoice discounting.

Price risk, credit risk, liquidity risk and cash flow risk
Credit risk
Credit risk is the risk of loss in the value of financial assets due to counterparties failing to meet all or part of their obligations through the extended credit term arrangement. In order to manage its credit risk, the Group undertakes assessments of its customers.

Interest rate risk
Interest rate risk, regarding unfavourable movements in interest rates, is mitigated by the Group as the majority of total borrowings are secured on fixed rates.

Liquidity risk
Liquidity risk is the risk that the company does not have sufficient liquid assets to meet its obligations as they fall due. Liquidity is maintained at a prudent level and the Group ensures there is an adequate liquidity buffer to cover contingencies. The risk is mitigated by managing cash generated by operations and continually reviewing available funds alongside upcoming obligations to ensure sufficient headroom.

Foreign currency risk
The Group is exposed to foreign exchange risk primarily with respect to the euro. The risk is not perceived as being material to the accounts due to euro trading being minimal and the Group holding euro bank accounts, utilising these to pay foreign currency suppliers.

Disabled persons
The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled; it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Employee involvement
During the year, the policy of providing employees with information about the Group has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the Group's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Going concern
The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations and through bank borrowings.

The company has in place appropriate processes and controls in order to support the board's assessment of the business's viability. In particular the business has prepared and reviewed forecasts and projections for the next twelve months that show that the company should be able to continue to trade for at least that period.

The preparation of those forecasts takes into account possible changes in trading and performance and the potential impact on the business of possible future downside scenarios. This also considers the effectiveness of available measures to assist in mitigating possible operational and financial impact. These mitigations include possible changes in a fall in demand and potential cost savings which are reflective of their business continuity plan. The business has used COVID-19 support mechanisms provided by the UK government and will do so again, where available, should it be necessary.

With reference to the disposal of Pacifica Home Services Limited, referred to in note 33 Post Balance sheet events, the Directors have prepared and reviewed forecasts and projections which have taken into account the revised group structure and the banking facilities that remain in place.

After making enquiries, the directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future. Based on the factors set out above, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Post balance sheet events
On 19 January 2022 one of the Companies main trading subsidiaries, Pacifica Home Services Limited was disposed of, with 90% of the Pacifica Home Services Limited's share capital acquired, through a management buyout, by Viessmann Investment UK Holding Limited, a Company ultimately owned by Viessmann Group GMBH & CO KG, with Management acquiring the remaining 10%.

Part of the sales proceeds from the disposal of Pacifica Home Services has been utilised to repay c£15m of Debt instruments owed by Atlantic Midco Limited.

Auditor
RSM UK Audit LLP were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Energy and carbon reporting
The energy and carbon report is shown in the ultimate parent company consolidated accounts of Atlantic Topco Limited.

Matters of strategic importance
The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal risks and uncertainties and future developments.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Kevin Brown
....
K Brown
Director

Date: 28/03/22

PACIFICA GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the Strategic Report and 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PACIFICA GROUP LIMITED

Opinion

We have audited the financial statements of Pacifica Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and of the parent company's affairs as at 31 March 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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 group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have *nothing to report in this regard.*

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent company and their 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 9, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:
- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and board meeting minutes and inquiries with directors and those charged with governance.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to employment legislation, data protection and health and safety legislation. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with the regulators where relevant as well as reviewed latest registration status on the Health and Safety Executive Website.

The audit engagement team identified the risk of management override of controls and revenue recognition around cut off as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed in relation to the risk of management override of internal controls included but were not limited to testing journal entries and other adjustments made and evaluating the business rationale in relation to significant transactions that are unusual or outside the normal course of business. Audit procedures performed in relation to the cut off risk of revenue recognition included testing revenue transactions around the year end to assess if they were recognised in the correct period.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities This description forms part of our auditor's report.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Rachel Fleming

Rachel Fleming (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
United Kingdom, NE1 4AD

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29 March 2022

PACIFICA GROUP LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 as restated £
Turnover	5	51,989,792	51,185,086
Cost of sales		(41,334,223)	(39,649,486)
Gross profit		10,655,569	11,535,600
Administrative expenses		(13,245,631)	(11,284,876)
Other operating income		1,748,130	73,480
Operating (loss)/profit	8	(841,932)	324,204
Interest receivable and similar income	10	113	-
Interest payable and similar expenses	11	(219,694)	(267,406)
(Loss)/profit before taxation		(1,061,513)	56,798
Tax on (loss)/profit	12	56,577	134,584
(Loss)/profit for the financial year		(1,004,936)	191,382
Other comprehensive income net of taxation			
Revaluation of tangible fixed assets		62,584	1,014,634
Currency translation differences		-	2,808
Total comprehensive income for the year		(942,352)	1,208,824
(Loss)/profit for the financial year is attributable to:			
- Owners of the parent company		(1,018,053)	191,581
- Non-controlling interests		13,117	(199)
		(1,004,936)	191,382
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		(955,469)	1,209,023
- Non-controlling interests		13,117	(199)
		(942,352)	1,208,824

Company Registration No. 05541667

PACIFICA GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Goodwill	13		2,037,164		1,025,644
Other intangible assets	13		412,434		240,358
Total intangible assets			2,449,598		1,266,002
Tangible assets	14		5,051,795		4,712,807
			7,501,393		5,978,809
Current assets					
Stocks	18	2,000,485		1,452,623	
Debtors	19	16,192,445		15,462,229	
Cash at bank and in hand		392,258		369,942	
		18,585,188		17,284,794	
Creditors: amounts falling due within one year	20	(18,833,048)		(17,969,391)	
Net current liabilities			(247,860)		(684,597)
Total assets less current liabilities			7,253,533		5,294,212
Creditors: amounts falling due after more than one year	21		(4,883,017)		(1,981,344)
Net assets			2,370,516		3,312,868
Capital and reserves					
Called up share capital	26		111,982		111,982
Share premium account	27		2,128,005		2,128,005
Revaluation reserve	27		1,077,218		1,014,634
Profit and loss reserves	27		(964,467)		53,586
Equity attributable to owners of the parent company			2,352,738		3,308,207
Non-controlling interests			17,778		4,661
			2,370,516		3,312,868

PACIFICA GROUP LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2021

The financial statements were approved by the board of directors and authorised for issue on 28/03/22 and are signed on its behalf by:

Kevin Brown

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K Brown
Director

PACIFICA GROUP LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	13		412,434		240,358
Tangible assets	14		4,390,458		4,328,810
Investments	15		2,574,954		2,574,954
			7,377,846		7,144,122
Current assets					
Debtors	19	4,722,881		2,212,023	
Creditors: amounts falling due within one year	20	(5,621,879)		(4,923,133)	
Net current liabilities			(898,998)		(2,711,110)
Total assets less current liabilities			6,478,848		4,433,012
Creditors: amounts falling due after more than one year	21		(4,664,908)		(1,958,413)
Provisions for liabilities	24		(23,271)		(101,725)
Net assets			1,790,669		2,372,874
Capital and reserves					
Called up share capital	26		111,982		111,982
Share premium account	27		2,128,005		2,128,005
Revaluation reserve	27		936,241		936,241
Profit and loss reserves	27		(1,385,559)		(803,354)
Total equity			1,790,669		2,372,874

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's loss for the year was £582,205 (2020 - £421,372 loss).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 28/03/22 and are signed on its behalf by:

Kevin Brown

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K Brown
Director

PACIFICA GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
	£	£	£	£	£	£	£
For the period ended 31 March 2020:							
Balance at 1 April 2019	111,982	2,128,005	-	(140,803)	2,099,184	4,860	2,104,044
Year ended 31 March 2020:							
Profit for the year	-	-	-	191,581	191,581	(199)	191,382
Other comprehensive income net of taxation:							
Revaluation of tangible fixed assets	-	-	1,014,634	-	1,014,634	-	1,014,634
Currency translation differences	-	-	-	2,808	2,808	-	2,808
Total comprehensive income for the year	-	-	1,014,634	194,389	1,209,023	(199)	1,208,824
Balance at 31 March 2020	111,982	2,128,005	1,014,634	53,586	3,308,207	4,661	3,312,868
Year ended 31 March 2021:							
Loss for the year	-	-	-	(1,018,053)	(1,018,053)	13,117	(1,004,936)
Other comprehensive income net of taxation:							
Revaluation of tangible fixed assets	-	-	62,584	-	62,584	-	62,584
Total comprehensive income for the year	-	-	62,584	(1,018,053)	(955,469)	13,117	(942,352)
Balance at 31 March 2021	111,982	2,128,005	1,077,218	(964,467)	2,352,738	17,778	2,370,516

PACIFICA GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021

	Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
	£	£	£	£	£
For the period ended 31 March 2020:					
Balance at 1 April 2019	111,982	2,128,005	-	(381,982)	1,858,005
Year ended 31 March 2020:					
Loss for the year	-	-	-	(421,372)	(421,372)
Other comprehensive income net of taxation:					
Revaluation of tangible fixed assets	-	-	968,258	-	968,258
Tax relating to other comprehensive income	-	-	(32,017)	-	(32,017)
Total comprehensive income for the year	-	-	936,241	(421,372)	514,869
Balance at 31 March 2020	111,982	2,128,005	936,241	(803,354)	2,372,874
Year ended 31 March 2021:					
Loss and total comprehensive income for the year	-	-	-	(582,205)	(582,205)
Balance at 31 March 2021	111,982	2,128,005	936,241	(1,385,559)	1,790,669

PACIFICA GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	28		125,268		939,864
Income taxes refunded/(paid)			65,901		(266,784)
Net cash inflow from operating activities			191,169		673,080
Investing activities					
Purchase of intangible assets		(264,077)		(265,114)	
Purchase of tangible fixed assets		(466,084)		(587,331)	
Proceeds on disposal of tangible fixed assets		43,192		51,704	
Purchase of subsidiaries (net of cash acquired)		(973,594)		(316,717)	
Interest received		113		-	
Net cash used in investing activities			(1,660,450)		(1,117,458)
Financing activities					
Interest paid		(219,694)		(267,406)	
Proceeds of new bank loans		3,000,000		100,000	
Repayment of bank loans		(52,348)		(89,942)	
Proceeds of new finance lease obligations		102,260		-	
Payment of finance leases obligations		(131,903)		(292,369)	
Net cash generated from/(used in) financing activities			2,698,315		(549,717)
Net increase/(decrease) in cash and cash equivalents			1,229,034		(994,095)
Cash and cash equivalents at beginning of year			(1,207,955)		(213,860)
Cash and cash equivalents at end of year			21,079		(1,207,955)
Relating to:					
Cash at bank and in hand			392,258		369,942
Bank overdrafts included in creditors payable within one year			(371,179)		(1,577,897)

1 Accounting policies

Company information

Pacifica Group Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Pacifica House, Rainton Business Park, Houghton Le Spring, England, DH4 5RA.

The group consists of Pacifica Group Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in Strategic Report.

Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for financial instruments not measured at fair value;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Basis of consolidation

The consolidated financial statements incorporate those of Pacifica Group Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1 Accounting policies (Continued)

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

Going concern
The financial statements have been prepared on a going concern basis.

The company meets its day to day working capital requirements through cash generated from operations and through bank borrowings.

The company has in place appropriate processes and controls in order to support the board's assessment of the business's viability. In particular the business has prepared and reviewed forecasts and projections for the next twelve months that show that the company should be able to continue to trade for at least that period.

The preparation of those forecasts takes into account possible changes in trading and performance and the potential impact on the business of possible future downside scenarios. This also considers the effectiveness of available measures to assist in mitigating possible operational and financial impact. These mitigations include possible changes in a fall in demand and potential cost savings which are reflective of their business continuity plan. The business has used COVID-19 support mechanisms provided by the UK government and will do so again, where available, should it be necessary.

With reference to the disposal of Pacifica Home Services Limited, referred to in note 33 Post Balance sheet events, the Directors have prepared and reviewed forecasts and projections which have taken into account the revised group structure and the banking facilities that remain in place.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Based on the factors set out above, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

Turnover
Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1 Accounting policies (Continued)

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 to 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	25% straight line

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1% straight line
Leasehold land and buildings	1% straight line
Plant and machinery	25% straight line
Fixtures and fittings	25% straight line
Equipment	25% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies (Continued)

Land and buildings are accounted for using the revaluation model, whereby assets are stated at their fair value (as determined from independent valuations) at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Revaluation gains and losses are recognised as part of other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in the profit or loss account.

Fixed asset investments
In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets
At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents
Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies (Continued)

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income and expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1 Accounting policies (Continued)

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Change in accounting policy

During the year the directors reviewed the revenue accounting policy in respect the installation of Boilers under government ECO Schemes. In the prior year financial statements, the company recognised income in respect of this schemes at the point in which the surveys associated with the installation were complete, but before the installation works had been performed, with an estimation made of the volume of installations that were considered probable to be completed. Costs of future activity associated with the installation were accrued.

It was concluded that this accounting policy had resulted in revenue and the related costs associated with the works being recognised too early. Having considered the requirements of FRS 102, it was concluded that revenue should be recognised at the point when the installation is complete, as the act of installation was considered to be a significant act under the contract such that revenue should be postponed until this act is executed in accordance with paragraph 23.15 of FRS 102. It was also concluded that direct costs associated with delivering these installations should be recognised as an asset where it was considered probably that the costs will be recovered in accordance with FRS 102 paragraph 23.23.

The directors have considered the impact of the change in accounting policy on the prior year comparatives and determined that the change in policy is not material to the position presented. Accordingly, the impact of the change in accounting policy has been corrected in the current year. The impact on the current year is as follows:

	Reported result for the year ended 31 March 2021 £'000	Impact of change in accounting policy £'000	Underlying result for the year ended 31 March 2021 £'000
Revenue	51,990	1,084	53,074
Cost of sales	(41,334)	(893)	(42,227)
Gross profit	10,656	191	10,847
Loss before taxation	(1,007)	191	(816)

3 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Indicators of impairment
In assessing whether there have been indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

3 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the estimated useful life of assets is detailed in the amortisation accounting policy. The carrying amount is £2,449,598 (2020: £1,266,002).

Useful economic lives of tangible assets

The annual depreciation charge is sensitive to changes in the estimated useful lives of the assets. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates, future investments and economic utilisation. The carrying amount is £5,051,795 (2020: £4,712,807).

Stock provision

The company has made an assumption of writing down the value of stock on items in which they expect the cost to exceed the net realisable value before it is fully sold / utilised. This assumption has involved looking at the historic sales patterns and expected sales in future years. The carrying amount is £429,230 (2020: £243,200).

Revenue recognition

When assessing the recognition of turnover and costs, management make an assessment of the level of completion of work by reference to information available to them at the time. Management considered whether the stage of completion, future costs and the collectability of amounts recoverable on contracts can be reliably estimated. Where management assess that revenue should not yet be recognised, consideration is given the any costs which should be deferred with reference to whether it is considered probable that such costs will be recovered. The process has an inherent level of uncertainty and the final outcome may therefore differ.

Impairment of goodwill

The group holds a significant value in respect of goodwill arising on acquisition of group companies. A provision would be made if the directors did not believe the carrying value of goodwill was not fully recoverable giving consideration to the company's best estimate of the amount that the group were to receive for the asset if it were to be sold at the reporting date. This therefore takes into account of the net assets of the subsidiary and its potential future earnings.

4 Prior period adjustment

Previously, a subsidiary company has recognised turnover as though it was a principal providing warranty policies. A review of the revenue agreements has concluded that it is more appropriate to treat turnover as if the company is an agent. As a result, the cost of providing the contracts has been netted off against the turnover from policy sales. This has resulted in both turnover and cost of sales being reduced by £3,004,120 in 2020, such that revenue is in relation the commission received by the Company for the sale and administration of warranty products.

5 Turnover and other revenue

	2021	2020 as restated
	£	£
Turnover analysed by class of business		
Sale of goods	1,160,423	1,224,436
Rendering of services	50,829,369	49,960,650
	51,989,792	51,185,086

	2021	2020
	£	£
Other income		
Coronovirus job retention grant	1,724,310	73,480
Other income	23,820	-

	2021	2020 as restated
	£	£
Turnover analysed by geographical market		
UK	51,604,657	50,847,153
Europe	385,135	337,933
	51,989,792	51,185,086

6 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Office staff	263	182	51	42
Field staff	277	270	-	-
Warehouse staff	38	54	-	-
Management staff	21	23	2	2
Total	599	529	53	44

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	16,404,658	14,258,330	876,357	841,280
Social security costs	1,621,616	1,238,487	186,760	170,592
Pension costs	414,788	351,125	66,591	58,706
	18,441,062	15,847,942	1,129,708	1,070,578

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	349,070	438,333
Company pension contributions to defined contribution schemes	6,129	6,235
	355,199	444,568

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	132,488	183,709
Company pension contributions to defined contribution schemes	-	425

Certain directors of the group are also directors of the immediate parent company, These directors were remunerated within Atlanic Bidco Limited and therefore amounts are not disclosed above.

8 Operating (loss)/profit

	2021	2020
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(2,192)	(3,641)
Government grants	(1,724,310)	(73,480)
Depreciation of owned tangible fixed assets	270,436	362,768
Depreciation of tangible fixed assets held under finance leases	182,066	277,079
Profit on disposal of tangible fixed assets	(43,192)	(36,548)
Amortisation of intangible assets	334,505	150,974
Operating lease charges	818,582	153,235

Amortisation of intangible assets is recognised in administrative expenses.

Government grants relate to monies received under the Coronavirus Job Retention Scheme.

9 Auditor's remuneration

	2021	2020
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	55,000	30,000
For other services		
Taxation compliance services	10,250	13,500
All other non-audit services	18,250	10,000
	28,500	23,500

The fees comprise the total fee for the audit of the group and its subsidiaries. The audit fee is borne by Pacifica Group Limited on behalf of the entities in the group.

10 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Other interest income	113	-

11 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	109,016	59,161
Interest on finance leases and hire purchase contracts	40,250	64,379
Other interest	70,428	143,866
Total finance costs	219,694	267,406

12 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	(2,540)	-
Adjustments in respect of prior periods	28,845	(77,330)
Total current tax	26,305	(77,330)
Deferred tax		
Origination and reversal of timing differences	(141,650)	(69,592)
Changes in tax rates	-	12,338
Adjustment in respect of prior periods	58,768	-
Total deferred tax	(82,882)	(57,254)
Total tax credit	(56,577)	(134,584)

12 Taxation (Continued)

The total tax credit for the year included in the income statement can be reconciled to the (loss)/profit before tax multiplied by the standard rate of tax as follows:

	2021 £	2020 £
(Loss)/profit before taxation	(1,061,513)	56,798
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(201,687)	10,792
Tax effect of expenses that are not deductible/income not taxable in determining taxable profit	(15,762)	117,238
Change in unrecognised deferred tax assets	(1,376)	(40,139)
Adjustments in respect of prior years	28,845	(77,857)
Effect of change in corporation tax rate	-	12,338
Group relief	-	(188,382)
Permanent capital allowances in excess of depreciation	29,116	30,744
Amortisation on assets not qualifying for tax allowances	39,736	-
Research and development tax credit	5,692	-
Other permanent differences	91	682
Deferred tax adjustments in respect of prior years	58,768	-
Taxation credit	(56,577)	(134,584)

Factors that may affect the future, current and total tax charge:

On 17 March 2020 the Finance Bill 2020 was substantively enacted which confirmed that the UK corporation tax rate would remain at 19%. The deferred tax recognised within these accounts has therefore been calculated at a rate of 19% to account for this. In the Budget on 3 March 2021, the UK government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021. Deferred tax has been calculated at 19% which was the tax rate substantively enacted at 31 March 2021.

13 Intangible fixed assets

Group	Goodwill	Software	Total
	£	£	£
Cost			
At 1 April 2020	1,607,167	265,114	1,872,281
Additions - internally developed	-	264,077	264,077
Additions - business combinations	1,254,024	-	1,254,024
At 31 March 2021	2,861,191	529,191	3,390,382
Amortisation and impairment			
At 1 April 2020	581,523	24,756	606,279
Amortisation charged for the year	242,504	92,001	334,505
At 31 March 2021	824,027	116,757	940,784
Carrying amount			
At 31 March 2021	2,037,164	412,434	2,449,598
At 31 March 2020	1,025,644	240,358	1,266,002

Company	Software
	£
Cost	
At 1 April 2020	265,114
Additions - internally developed	264,077
At 31 March 2021	529,191
Amortisation and impairment	
At 1 April 2020	24,756
Amortisation charged for the year	92,001
At 31 March 2021	116,757
Carrying amount	
At 31 March 2021	412,434
At 31 March 2020	240,358

14 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Assets under construction	Plant and machinery	Fixtures and fittings	Equipment	Motor vehicles	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 April 2020	3,565,000	85,000	-	55,063	793,305	1,605,526	1,442,763	7,546,657
Additions	-	-	286,641	5,831	4,380	85,683	114,888	497,423
Business combinations	196,666	-	-	-	-	-	55,071	251,737
Disposals	-	-	-	(14,135)	(2,197)	-	(161,718)	(178,050)
Revaluation	62,584	-	-	-	-	-	-	62,584
At 31 March 2021	3,824,250	85,000	286,641	46,759	795,488	1,691,209	1,451,004	8,180,351
Depreciation and impairment								
At 1 April 2020	-	-	-	50,353	665,639	847,284	1,270,574	2,833,850
Depreciation charged in the year	39,369	1,049	-	6,090	48,238	260,427	97,329	452,502
Eliminated in respect of disposals	-	-	-	(14,135)	(2,197)	-	(160,205)	(176,537)
Revaluation	18,741	-	-	-	-	-	-	18,741
At 31 March 2021	58,110	1,049	-	42,308	711,680	1,107,711	1,207,698	3,128,556
Carrying amount								
At 31 March 2021	3,766,140	83,951	286,641	4,451	83,808	583,498	243,306	5,051,795
At 31 March 2020	3,565,000	85,000	-	4,710	127,666	758,242	172,189	4,712,807

Company	Freehold land and buildings	Assets under construction	Fixtures and fittings	Equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	3,565,000	-	686,076	943,484	35,800	5,230,360
Additions	-	286,641	-	79,883	-	366,524
At 31 March 2021	3,565,000	286,641	686,076	1,023,367	35,800	5,596,884
Depreciation and impairment						
At 1 April 2020	-	-	569,767	326,562	5,221	901,550
Depreciation charged in the year	36,119	-	40,060	219,747	8,950	304,876
At 31 March 2021	36,119	-	609,827	546,309	14,171	1,206,426
Carrying amount						
At 31 March 2021	3,528,881	286,641	76,249	477,058	21,629	4,390,458
At 31 March 2020	3,565,000	-	116,309	616,922	30,579	4,328,810

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases:

	Group 2021	2020	Company 2021	2020
	£	£	£	£
Plant and machinery	227,228	125,580	227,228	125,580
Motor vehicles	154,695	118,749	21,629	-
	381,923	244,329	248,857	125,580

Land and buildings with a carrying amount of £2,659,707 were revalued at 31 March 2020 by, an independent valuer not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. The valuation was reviewed at 31 March 2021 and no material change in value identified.

15 Fixed asset investments

	Notes	Group 2021	2020	Company 2021	2020
		£	£	£	£
Investments in subsidiaries	16	-	-	2,574,954	2,574,954

15 Fixed asset investments (Continued)

Movements in fixed asset investments
Company

	Shares in group undertakings £
Cost or valuation	
At 1 April 2020 and 31 March 2021	2,837,217
Impairment	
At 1 April 2020 and 31 March 2021	262,263
Carrying amount	
At 31 March 2021	2,574,954
At 31 March 2020	2,574,954

16 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct	Indirect
UK Warranty Limited	1	Electrical appliance warranty administration	Ordinary	90.00	-
Pacifica Appliance Services Limited	1	Electrical appliance repair services	Ordinary	100.00	-
Pacifica Home Services Limited	1	Gas installation and repair services	Ordinary	100.00	-
Key Group Holdings Limited	1	Dormant	Ordinary	100.00	-
PAC OldCo Limited (formerly Pacifica Newco Three Limited)	1	Dormant	Ordinary	-	100.00
FXZ OldCo Limited (formerly Fixzone (UK) Limited)	1	Dormant	Ordinary	100.00	-
Manor Retail Company 2 Limited	2	Dormant	Ordinary	100.00	-
Appliance Network Limited	1	Dormant	Ordinary	100.00	-
Megan Technical Services Limited	2	Dormant	Ordinary	-	100.00
Award Appliances Limited	1	Dormant	Ordinary	-	100.00
Oakes Energy Services Limited	2	Design and installation of commercial and domestic renewable energy systems	Ordinary	-	100.00
T K Garnham & Sons Ltd	1	Electrical appliance repair services	Ordinary	-	100.00
The Domestic Appliance Company Limited	1	Electrical appliance repair services	Ordinary	-	100.00
Pacifica Limited (formerly Pacifica Newco Two Limited)	1	Dormant	Ordinary	100.00	-
Fixzone (UK) Limited (formerly Pacifica Newco One Limited)	1	Dormant	Ordinary	100.00	-
0800 Repair Ltd (formerly PAC Oldco Limited and Pacifica Limited)	1	Dormant	Ordinary	100.00	-

16 Subsidiaries (Continued)

Registered office addresses (all UK unless otherwise indicated):

1 Pacifica House, Rainton Business Park, Houghton le Spring, DH4 5RA
2 The Venter Building, Mandarin Road, Houghton le Spring, DH4 5RA

17 Acquisition

On 9 September 2020 the group acquired 100% of the issued capital of T K Garnham & Sons Ltd for consideration of £699,905.

Net assets acquired	Book Value £	Adjustments £	Fair Value £
Property, plant and equipment	224,375	(5,831)	218,544
Inventories	95,000	(50,000)	45,000
Trade and other receivables	73,245	-	73,245
Cash and cash equivalents	59,726	-	59,726
Trade and other payables	(375,693)	(34,712)	(410,405)
Tax liabilities	(34,566)	(3,026)	(37,592)
Total identifiable net assets	42,087	(93,569)	(51,482)
Goodwill			751,387
Total consideration			699,905

The consideration was satisfied by:	£
Cash	540,000
Deferred consideration	135,000
Legal fees	24,905
	699,905

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	113,886
Profit after tax	16,056

17 Acquisition (Continued)

On 2 December 2020 the group acquired 100% of the issued capital of The Domestic Appliance Company Limited for consideration of £478,627.

Net assets acquired	Book Value £	Adjustments £	Fair Value £
Property, plant and equipment	48,658	(4,380)	44,278
Inventories	78,388	-	78,388
Trade and other receivables	150,798	-	150,798
Cash and cash equivalents	42,576	-	42,576
Trade and other payables	(266,349)	(25,557)	(291,906)
Tax liabilities	(48,144)	-	(48,144)
Total identifiable net assets	5,927	(29,937)	(24,010)
Goodwill			502,637
Total consideration			478,627

The consideration was satisfied by:	£
Cash	355,294
Deferred consideration	109,208
Capitalised fees	14,125
	478,627

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	34,840
Profit after tax	18,887

18 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Raw materials and consumables	2,000,485	1,452,623	-	-

19 Debtors

	Group 2021	2020	Company 2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	12,516,489	11,794,388	115,449	124,895
Gross amounts owed by contract customers	757,472	1,273,039	-	-
Corporation tax recoverable	-	130,739	-	-
Amounts owed by group undertakings	-	600	28,541	1,668,591
Other debtors	118,394	904,910	-	-
Prepayments and accrued income	2,734,639	1,330,645	564,839	418,537
	16,126,994	15,434,321	708,829	2,212,023
Deferred tax asset (note 24)	65,451	27,908	-	-
	16,192,445	15,462,229	708,829	2,212,023
Amounts falling due after more than one year:				
Amounts owed by group undertakings	-	-	4,014,052	-
Total debtors	16,192,445	15,462,229	4,722,881	2,212,023

20 Creditors: amounts falling due within one year

	Notes	Group 2021	2020	Company 2021	2020
		£	£	£	£
Bank loans and overdrafts	22	665,103	1,650,694	641,816	1,607,878
Obligations under finance leases	23	248,706	266,336	166,581	224,903
Other borrowings	22	4,308,299	6,423,635	-	-
Trade creditors		6,888,538	5,711,033	820,374	565,581
Amounts owed to group undertakings		1,380,336	374,066	3,280,755	2,099,146
Corporation tax payable		1,864	-	45	-
Other taxation and social security		2,911,026	1,557,453	529,649	332,075
Other creditors		372,788	267,591	20,046	5,803
Accruals and deferred income		2,056,388	1,718,583	162,613	87,747
		18,833,048	17,969,391	5,621,879	4,923,133

The invoice discounting facility is secured against the book debts of the group. Obligations under finance lease are secured by the assets to which they relate.

21 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	22	4,673,776	1,816,092	4,566,596	1,816,092
Obligations under finance leases	23	177,187	165,252	98,312	142,321
Other creditors		32,054	-	-	-
		4,883,017	1,981,344	4,664,908	1,958,413

Obligations under finance lease are secured by the assets to which they relate.

Amounts included above which fall due after five years are as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Payable by instalments	1,138,125	1,437,046	1,138,125	1,437,046

22 Borrowings

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	4,967,700	1,888,889	4,845,375	1,888,889
Bank overdrafts	371,179	1,577,897	363,037	1,535,081
Invoice discounting facility	4,308,299	6,423,635	-	-
	9,647,178	9,890,421	5,208,412	3,423,970
Payable within one year	4,973,402	8,074,329	641,816	1,607,878
Payable after one year	4,673,776	1,816,092	4,566,596	1,816,092

The bank borrowings comprise a mortgage loan facility and a flexible business loan which is denominated in sterling with a nominal interest rate of Bank of England base rate +2.50%, and the final instalment is due on 31 March 2036. The carrying amount at year end is £1,845,126 (2020: £1,888,889).

The Company borrowed £3,000,000 in January 2021. The rate of interest paid monthly is 2.5% above Bank of England Base Rate. The loan is repayable by way of 23 instalments of £65k from February 2022 to December 2023 with one final bullet repayment payable in January 2024.

HSBC plc hold a debenture dated 20 May 2016 including a fixed charge over the leasehold property known as the Venter Building, Mandarin Road, Rainton Business Park, Houghton Le Spring.

HSBC plc hold first legal charges dated 29 January 2010 and 12 September 2014 over the group's freehold properties.

HSBC plc hold a debenture dated 21 September 2005 and a debenture dated 8 April 2008, both of which include a fixed charge over all present freehold property, a first fixed charge over book and other debts, chattels, goodwill and uncalled capital both present and future, and a first floating charge over all assets and undertakings both present and future.

23 Finance lease obligations

	Group 2021 £	2020 £	Company 2021 £	2020 £
Future minimum lease payments due under finance leases:				
Less than one year	248,706	266,336	166,581	224,903
Between one and five years	177,187	165,252	98,312	142,321
	425,893	431,588	264,893	367,224

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Obligations under finance lease contracts are secured against the asset to which the agreement relates.

24 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

Group	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Accelerated capital allowances	-	-	(289,859)	(237,656)
Tax losses	-	-	349,749	260,687
Short term timing differences	-	-	5,561	4,877
	-	-	65,451	27,908

Company	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Accelerated capital allowances	285,017	281,950	-	-
Tax losses	(261,032)	(179,697)	-	-
Short term timing differences	(714)	(528)	-	-
	23,271	101,725	-	-

24 Deferred taxation (Continued)

Movements in the year:	Group 2021 £	Company 2021 £
Liability/(Asset) at 1 April 2020	(27,908)	101,725
Credit to profit or loss	(37,543)	(78,454)
Liability/(Asset) at 31 March 2021	(65,451)	23,271

25 Retirement benefit schemes

Defined contribution schemes	2021 £	2020 £
Charge to profit or loss in respect of defined contribution schemes	414,788	351,125

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Included in other creditors is a value of £78,370 (2020: £62,220) which is due to the scheme.

26 Share capital

	Group and Company			
Ordinary share capital	**2021 Number**	**2020 Number**	**2021 £**	**2020 £**
Issued and fully paid				
Ordinary shares of £1 each	111,982	111,982	111,982	111,982

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

27 Reserves

Share premium
Value in excess of the nominal value received for shares sold.

Revaluation reserve
Unrealised gain on revaluation of property. A transfer takes place annually from the profit and loss account to account for the previous depreciation charges on revalued assets that are held as fixed assets within the group accounts.

Profit and loss reserves
Accumulated profit and loss net of distributions to owners.

28 Cash generated from group operations

	2021 £	2020 £
(Loss)/profit for the year after tax	(1,004,936)	191,382
Adjustments for:		
Taxation credited	(56,577)	(134,584)
Finance costs	219,694	267,406
Investment income	(113)	-
Gain on disposal of tangible fixed assets	(43,192)	(36,548)
Amortisation and impairment of intangible assets	334,505	150,974
Depreciation and impairment of tangible fixed assets	452,502	639,847
Movements in working capital:		
Increase in stocks	(424,474)	(31,884)
Increase in debtors	(573,054)	(3,680,237)
Increase in creditors	1,220,913	3,573,508
Cash generated from operations	125,268	939,864

29 Analysis of changes in net debt - group

	1 April 2020 £	Cash flows £	Acquisitions and disposals £	31 March 2021 £
Cash at bank and in hand	369,942	(80,153)	102,469	392,258
Bank overdrafts	(1,577,897)	1,206,718	-	(371,179)
	(1,207,955)	1,126,565	102,469	21,079
Borrowings excluding overdrafts	(8,312,524)	(832,316)	(131,159)	(9,275,999)
Obligations under finance leases	(431,588)	29,643	(23,948)	(425,893)
	(9,952,067)	323,892	(52,638)	(9,680,813)

30 Financial commitments, guarantees and contingent liabilities

Contingent liabilities

On 28 May 2015, the company increased its investment in UK Warranty Limited from 50% to 100%. The cost of investment is contingent on the future results of the company. At the acquisition date, 50% of the net asses of UK Warranty Limited were approximately £17,000. Contingent consideration of £8,000 has been included within other creditors. Future consideration will be accounted for when the future results can be assessed with reasonable accuracy. The total potential contingent consideration which has not been provided for is £190,000.

Guarantees

At 31 March 2021, the company and its fellow group undertakings have cross guarantee arrangements in connection with bank facilities.

31 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021	2020	Company 2021	2020
	£	£	£	£
Within one year	614,048	423,537	218,580	423,537
Between one and five years	514,471	639,907	128,369	639,907
	1,128,519	1,063,444	346,949	1,063,444

32 Events after the reporting date

On 19 January 2022 one of the Companies main trading subsidiaries, Pacifica Home Services Limited was disposed of, with 90% of the Pacifica Home Services Limited's share capital acquired, through a management buyout, by Viessmann Investment UK Holding Limited, a Company ultimately owned by Viessmann Group GMBH & CO KG, with Management acquiring the remaining 10%.

Part of the sales proceeds from the disposal of Pacifica Home Services has been utilised to repay c£15m of Debt instruments owed by Atlantic Midco Limited.

33 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the group, who are also directors, is as follows.

	2021	2020
	£	£
Aggregate compensation	355,199	468,332

Transactions with related parties

During the year the group entered into the following transactions with related parties:

	Directors fees 2021	2020
	£	£
Group		
Directors	35,000	35,000

34 Controlling party

The company's immediate parent is Atlantic Bidco Limited, incorporated in England and Wales.

The ultimate parent is Synova Capital LLP, incorporated in England and Wales.

The ultimate controlling party is considered to be Synova Capital Fund III LP (the 'Fund'). The shares of which are held by Synova Capital GP 5 Limited on behalf of the Fund. The registered office is 55 Wells Street, London, W1T 3PT.