

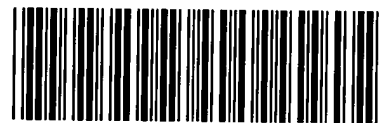
**SMARDT CHILLERS (UK) LIMITED**

**Annual report and financial statements**

**Registered number 11331862**

**30 April 2020**

TUESDAY



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## **Directors and officers**

Directors	RM. Richmond Smith P. England L.Roy
Secretary	RM. Richmond Smith
Company number	11331862
Registered office	10a, Burrell Way, Thetford, Norfolk United Kingdom IP24 3RW
Auditor	KPMG LLP Botanic House 100 Hills Road Cambridge CB2 1AR

## **Directors' report**

The directors present their annual report and financial statements for the year ended 30 April 2020. The comparative period shown is for the period from incorporation, 26 April 2018 to 30 April 2019.

## **Principal activities**

The principal activities of the company are of manufacturing components for chillers and coolers. Sales for the year to April 2020 were wholly to the group company in Germany. The immediate parent company (TICA-SMARDT Group Inc) is based in Canada.

## **Results and dividends**

The directors do not recommend the payment of a dividend (30 April 2019: £Nil)

## **The position of the company at the year end**

SMARTD Chillers (UK) Limited were incorporated on 26 April 2018, in order to purchase certain fixed assets from the Administrator of Stanref International (2017) Limited ("Stanref"). Stanref went into administration in April 2018 and ceased to trade soon after. The assets purchased were to be used for the principal activities of the Company.

The period after April 2018 up until end of March 2019 was taken up in the search and securing suitable premises for the new facility, target was for a building with the right location, sufficient size and B1 status (approval for manufacturing). End of March 2018 10a Burrell Way Thetford was secured, property on a sublease from a holding company (Wade Group) for defunct Domestic Furniture manufacturer (Multi York).

In the first instance the property needed work to transform from its former purpose to be suitable for steel fabrication involved in manufacture of Shell and Tube heat exchangers and pressure vessels. There was an existing internal structure which covered approx. 3/5 of the shopfloor area, this required removal. Work continued for the rest of 2019/20 and continues adapting the building, refurbishing equipment from the original Stanref purchase.

Towards the end of 2019 a trial heat exchanger was manufactured and CE Certified to prove processes. Early in 2020 the first exchangers were designed, manufactured, certified, and shipped to Germany. As of the 31 March 2020 six Heat Exchangers and two Pressure vessels had been dispatched to Germany along with some associated minor components.

As at the end of 2020, Brexit had not yet occurred and the pandemic was still in its early stages. SMARTD Chillers (UK) Limited had only one customer, SMARTD Germany, and to date had manufactured just two jobs for them. Activities were split between supplying SMARTD Germany and facility development. The latter included refurbishment of Stanref equipment and fabrication of new infrastructure. Two large Capex items were awaiting finance with expenditure for both agreed in principle.

## **Going Concern**

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its immediate parent company, TICA-SMARDT Group Inc, to meet its liabilities as they fall due for that period. As the Company does not have its own bank account, it is dependent upon other group undertakings within the group headed by TICA-SMARDT Group Inc ("the Group") for its working capital. However, the ability of TICA-SMARDT Group Inc to continue to provide this support is dependent on the Group successfully renewing its revolving credit facility of \$30m, which expires in June 2022. This event and condition, along with the other matters explained in note 1.2, constitute a materiality uncertainty that may cast significant doubt on the Company's ability to continue as a going concern

## **Directors**

The directors who held office during the year and to the date of this report were as follows:

RM. Richmond Smith (Appointed 26 April 2018)  
P. England (Appointed 19 March 2019)  
L. Roy (Appointed 26 April 2018)  
C. Weston (Appointed on 26 April 2018, Resigned on 26 April 2018)

## **Directors' report (continued)**

### **Political contributions and charitable donations**

The Company made no political contributions or charitable donations or incurred any political expenditure during the current year or prior year.

### **COVID Considerations**

The Directors recognise the financial risk associated with the threat of the coronavirus (COVID-19). The Company has only one customer SMARDT Germany and to this date had manufactured just two jobs for them. Covid-19 has not significantly impacted the company's activities which are split between supplying SMARDT Germany and facility development, facility development included refurbishment of Stanref equipment and fabrication of new infrastructure. Employees not required for factory operations were able to work from home, and with social distancing measures in place for those employees required in the facility this enabled minimum disruption to operations.

### **Statement of disclosure to auditor**

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### **Small company provisions**

This report has been prepared in accordance with the small companies' exemption under Section 415A of the Companies Act 2006.

By order of the board



**Lucie Roy**  
*Director*

10a Burrell Way, Thetford, Norfolk, United  
Kingdom, IP24 3RW.

Date: 16/02/2022

## **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and 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.
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **Independent auditor's report to the members of Smardt Chillers (UK) Limited**

### **Qualified opinion**

We have audited the financial statements of Smardt Chillers (UK) Limited ("the company") for the year ended 30 April 2020 which comprise the Profit and Loss Account and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related notes, including the accounting policies in note 1.

In our opinion, except for the possible effects of the matters described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards applicable to smaller entities, including Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for qualified opinion**

With respect to stock having a carrying amount of £44,329, the audit evidence available to us was limited because we were unable to observe the counting of the physical stock as at 30 April 2020, since that date was prior to our appointment as auditor of the company. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock quantities by using other audit procedures. Any adjustments would have a consequential effect on the company's net assets as at 30 April 2020 and on its loss for the year then ended.

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our qualified opinion.

### **Materiality uncertainty related to going concern**

We draw attention to note 1.2 in the financial statements, which indicates that the ability of TICA-SMARDT Group Inc to continue to provide financial and other supports to the Company is dependent on the group headed by TICA-SMARDT Group Inc. successfully renewing its revolving credit facility of \$30m, which expires in June 2022. This event and condition, along with the other matters explained in note 1.2, constitute a materiality uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not further modified in respect of this matter.

## **Independent auditor's report to the members of Smardt Chillers (UK) Limited (continued)**

### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- except for the possible consequential effects of the matter described in the basis for qualified opinion section of our report on the related disclosures in directors' report:
  - we have not identified material misstatements in that report; and
  - in our opinion that report has been prepared in accordance with the Companies Act 2006
- in our opinion the information given in the directors' report for the financial year is consistent with the financial statements.

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

In respect solely of the limitation on our work relating to stock, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

### **Other matter – prior period financial statements**

We note that the prior period financial statements were not audited. Consequently ISAs (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not further modified in respect of this matter.

### **Directors' responsibilities**

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



## **Independent auditor's report to the members of Smardt Chillers (UK) Limited (continued)**

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

**Mark Prince (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
Botanic House  
100 Hills Road  
Cambridge  
CB2 1AR

Date: 17/02/2022

**Profit and Loss Account and Other Comprehensive Income**  
*for the year ended 30 April 2020*

	<i>Note</i>	<b>Year ended 30 April 2020 £</b>	<b>Restated* Period ended 30 April 2019 £</b>
<b>Turnover</b>	2	78,344	-
Cost of sales		(128,318)	-
		<hr/>	<hr/>
<b>Gross loss</b>		(49,974)	-
Administrative expenses		(395,187)	(209,900)
		<hr/>	<hr/>
<b>Operating loss</b>	3	(445,161)	(209,900)
		<hr/>	<hr/>
<b>Loss before taxation</b>		(445,161)	(209,900)
Tax on loss	7	=	-
		<hr/>	<hr/>
<b>Loss for the financial year</b>		(445,161)	(209,900)
		<hr/>	<hr/>
Other comprehensive income for the year		-	-
		<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>		(445,161)	(209,900)
		<hr/>	<hr/>

\*Refer to note 16 Prior period adjustments.

The notes on pages 11 to 22 form part of these financial statements.

**Balance Sheet**  
at year end 30 April 2020

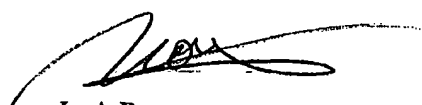
	Note	30 April 2020		Restated* 30 April 2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	8		264,260		139,345
			<hr/>		<hr/>
			264,260		139,345
<b>Current assets</b>					
Stocks	9		44,329		-
Debtors	10		202,104		56,192
			<hr/>		<hr/>
			246,433		56,192
<b>Creditors: amounts falling due within one year</b>	11	(1,165,753)		(405,436)	
		<hr/>		<hr/>	
<b>Net current liabilities</b>			(919,320)		(349,244)
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			(655,060)		(209,899)
			<hr/>		<hr/>
<b>Net liabilities</b>			(655,060)		(209,899)
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	12		1		1
Profit and loss account			(655,061)		(209,900)
			<hr/>		<hr/>
<b>Shareholders' deficit</b>			(655,060)		(209,899)
			<hr/>		<hr/>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The notes on pages 11 to 22 form part of these financial statements.

\*Refer to note 16 Prior period adjustments.

These financial statements were approved by the board of directors on 16/02/2022 and were signed on its behalf by:



**Lucile Roy**  
Director

Company registered number: 11331862

**Statement of Changes in Equity**  
*for the year ended 30 April 2020*

	<b>Called up Share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
On incorporation at 26 April 2018	-	-	-
Loss for the period (restated*)	-	(209,900)	(209,900)
Other comprehensive loss for the period	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive loss for the period (restated*)</b>	-	(209,900)	(209,900)
<b>Transactions with owners, recorded directly in equity</b>			
Issue of share capital	1	-	1
	<hr/>	<hr/>	<hr/>
Total contributions by owners	1	-	1
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 April 2019 (restated*)</b>	1	(209,900)	(209,899)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

	<b>Called up Share capital £</b>	<b>Profit and loss account £</b>	<b>Total equity £</b>
Balance at 1 May 2019	1	(209,900)	(209,899)
Loss for the year	-	(445,161)	(445,161)
Other comprehensive loss for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	(445,161)	(445,161)
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 April 2020</b>	1	(655,061)	(655,060)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 11 to 22 form part of these financial statements.

\*Refer to note 16 Prior period adjustments.

## Notes

*(forming part of the financial statements)*

### 1 Accounting Policies

Smardt Chillers UK Limited (the "Company") is a private company incorporated, domiciled and registered in the UK. The registered number is 11331862 and the registered address is 10a, Burrell Way, Thetford, Norfolk, United Kingdom, IP24 3R W.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the applicable accounting standards.

These financial statements were prepared in accordance with Section 1A of FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (UK Generally Accepted Accounting Practice applicable to Smaller Entities) ("Section 1A of FRS 102") as issued in August 2014. The amendments to Section 1A of FRS 102 issued in July 2016 and effective immediately have been applied. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1.13.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

Notwithstanding net current liabilities of £919,320 as at 30 April 2020 and a loss for the year then ended of £445,161, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its immediate parent company, TICA-SMARDT Group Inc, to meet its liabilities as they fall due for that period. As the Company does not have its own bank account, it is dependent upon other group undertakings within the group headed by TICA-SMARDT Group Inc ("the Group") for its working capital.

Those forecasts are dependent on TICA-SMARDT Group Inc not seeking repayment of the amounts currently due to the group, which at 30 April 2020 amounted to £1,062,728, and providing additional financial support during that period. TICA-SMARDT Group Inc has indicated its intention to continue to make available such funds as are needed by the company, and that it do not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

However, the ability of TICA-SMARDT Group Inc to continue to provide this support is dependent on the Group successfully renewing its revolving credit facility of \$30m, which expires in June 2022. The Group meets its day to day working capital requirements through this facility. The Group has begun discussions with the Group's bankers on renewing this facility for a further year, but no formal renewal has yet been agreed. On the basis of discussions with the Group's bankers to date, the Group expect that the facility will be renewed on the same terms as currently exist before the renewal date of June 2022. However, there can be no certainty that the facility will be renewed, or that the terms of the renewed facility will be the same as the existing terms in respect of covenants or the level of facility.

Based on these indications the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern and, therefore, that the company may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

## Notes (continued)

### Accounting policies (continued)

#### 1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

#### 1.4 Turnover

Turnover is measured at the fair value of the consideration received or receivable for products sold or services provided during the year, net of discounts and VAT.

Revenue from the sale of goods is only recognized when the company has transferred the significant risks and rewards of ownership of the goods to the buyer and the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity. The significant risks and rewards of ownership of the goods to the buyer is at the point of dispatch.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. The company assesses at each reporting date whether tangible fixed assets are impaired. The company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

Leasehold improvements	depreciated over the term of the lease
Plant and equipment	8% - 25% straight line
Fixtures and fittings	10% - 33% straight line
Computers and software	10% - 33% straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### 1.6 Basic financial instruments

##### Trade and other debtors / creditors

Trade and other debtors are recognised initially at transaction price plus attributable transaction costs. Trade and other creditors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

## Notes (continued)

### Accounting policies (continued)

#### 1.7 Impairment excluding stocks and deferred tax assets

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

#### 1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

#### 1.9 Employee benefits

##### *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

##### *Termination benefits*

Termination benefits are recognised as an expense when the Company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Company has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably. If benefits are payable more than 12 months after the reporting date, then they are discounted to their present value.

#### 1.10 Expenses

##### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognized in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognized as incurred. Lease incentives received are recognized in profit and loss over the term of the lease as an integral part of the total lease expense.

#### 1.11 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

#### 1.12 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

## Notes (continued)

### Accounting policies (continued)

#### 1.12 Taxation (continued)

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### 1.13 Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgments, estimates and assumptions. 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 recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. No judgements or estimates have been identified that would have a material impact on the company.

Management regularly discusses with the Directors the development, selection and disclosure of the Company's critical accounting policies and estimates and the application of these policies and estimates.

## 2. Turnover

	Year ended 30 April 2020 £	Period ended 30 April 2019 £
<b>By activity</b>		
Sale of goods	78,344	-
	<hr/>	<hr/>
Total	78,344	-
	<hr/>	<hr/>
<b>By geographical market</b>		
Europe	78,344	-
	<hr/>	<hr/>
	78,344	-
	<hr/>	<hr/>



## Notes (continued)

### 3. Operating loss

Included in loss are the following:

	Year ended 30 April 2020 £	Restated Period ended 30 April 2019 £
Lease payment recognised as an expense	85,579	69,931
Depreciation of fixed assets	28,145	7,381
Foreign exchange loss	3,554	-
	<u>          </u>	<u>          </u>

See note 16 in respect of the restatement.

### 4. Auditor's remuneration

	Year ended 30 April 2020 £	Period ended 30 April 2019 £
Fees payable for the audit of the financial statements	35,500	-
Fees payable to the company's auditor and its associates for other services:		
Taxation compliance	5,000	-
	<u>          </u>	<u>          </u>
	40,500	-
	<u>          </u>	<u>          </u>

### 5. Staff numbers and costs

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

	Year ended 30 April 2020 Number	Restated Period ended 30 April 2019 Number
Operations	5	2
Sales and administration	2	-
	<u>          </u>	<u>          </u>
	7	2
	<u>          </u>	<u>          </u>

See note 16 in respect of the restatement.

## Notes (continued)

### 5. Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	Year ended 30 April 2020 £	Restated Period ended 30 April 2019 £
Wages and salaries	172,673	93,308
Social security costs	15,998	-
Other pension costs	9,682	-
	<u>198,353</u>	<u>93,308</u>

See note 16 in respect of the restatement.

### 6. Directors' remuneration

	Year ended 30 April 2020 £	Restated Period ended 30 April 2019 £
Remuneration for qualifying services	42,348	42,348
	<u>42,348</u>	<u>42,348</u>

See note 16 in respect of the restatement.

The company pension contributions of £385k (2019: Nil) were made to pension plans on behalf of the director. The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (30 April 2019: 1)

**Notes** *(continued)*

**7. Taxation**

Total tax expense recognised in the profit and loss account:

	Year ended 30 April 2020	Restated Period ended 30 April 2019
	£	£
<b>Domestic current year tax</b>		
UK corporation tax at 19% (2019: 19%)	-	-
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>
<b>Deferred tax charge</b>		
Origination and reversal of timing differences	-	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	-	-
	<hr/>	<hr/>

The Company has not recognised any deferred tax assets for tax losses due to uncertainty over whether it is probable that will be recovered against future taxable profits.

**Factors that may affect future current and total tax charges**

On 3 March 2021, it was announced that the main UK corporation tax rate will increase to 25% with effect from 1 April 2023, although this has not yet been substantively enacted. This will increase the company's future tax charge accordingly.

## Notes (continued)

### 8. Tangible fixed assets

	Leasehold improvement £	Plant and Equipment £	Fixtures & Fittings £	Computers & Software £	Total £
<b>Cost</b>					
Balance at 1 May 2019 (as previously reported)	-	-	-	-	-
Prior year adjustment (see note 16)	52,049	94,677	-	-	146,726
Balance at 1 May 2019 (restated)	52,049	94,677	-	-	146,726
Addition	90,753	34,478	7,550	20,279	153,060
Balance at 30 April 2020	142,802	129,155	7,550	20,279	299,786
<b>Depreciation and impairment</b>					
Balance at 1 May 2019 (as previously reported)	-	-	-	-	-
Prior year adjustment (see note 16)	1,656	5,725	-	-	7,381
Balance at 1 May 2019	1,656	5,725	-	-	7,381
Depreciation charge for the year	15,688	9,246	537	2,674	28,145
Balance at 30 April 2020	17,344	14,971	537	2,674	35,526
<b>Net book value</b>					
At 30 April 2020	125,458	114,184	7,013	17,605	264,260
At 30 April 2019 (restated)	50,393	88,952	-	-	139,345

## Notes (continued)

### 9. Stocks

	30 April 2020 £	30 April 2019 £
Raw materials and consumables	37,412	-
Finished goods	6,917	-
	<u>44,329</u>	<u>-</u>

### 10. Debtors

	30 April 2020 £	Restated 30 April 2019 £
Trade debtors	78,780	-
VAT	84,273	30,692
Prepaid expense	13,551	-
Rent deposit	25,500	25,500
	<u>202,104</u>	<u>56,192</u>

See note 16 in respect of the restatement.

### 11. Creditors: amounts falling due within one year

	30 April 2020 £	Restated 30 April 2019 £
Amounts owed to group undertakings	1,062,728	358,230
Trade and other payables	32,779	-
Accruals	30,119	-
Rent premium	15,052	13,281
Lease premium	25,075	33,925
	<u>1,165,753</u>	<u>405,436</u>

See note 16 in respect of the restatement.

## Notes (continued)

### 12. Share capital

	30 April 2020	30 April 2019
	£	£
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	1	1
	<hr/>	<hr/>
	1	1
	<hr/>	<hr/>

### 13. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	30 April 2020	Restated 30 April 2019
	£	£
Less than one year	92,371	15,184
Between one and four years	292,297	384,920
	<hr/>	<hr/>
	384,668	400,104
	<hr/>	<hr/>

During the year £85,579 (30 April 2019 restated: £69,931) was recognised as an expense in the profit and loss account in respect of operating leases.

### 14. Related party transactions

The company has taken advantage of the exemption in Section 33.1A of FRS102 "Related Party Disclosures" from disclosing transactions with wholly owned members of the group.

### 15. Controlling party

The company is a subsidiary undertaking of TICA-Smardt Chiller Group Inc., a company incorporated in Canada at a registered address of 1840 Trans-Canada Highway, Dorval, Quebec H9P 1H7, Canada. The ultimate controlling party and parent undertaking is TICA Global Limited.

The consolidated financial statements of these groups are not available to the public and may be obtained from 1840 Trans-Canada Highway, Dorval, Quebec H9P 1H7, Canada.

## Notes (continued)

### 16. Prior period adjustments

The company was incorporated on 26 April 2018 and prepared and filed dormant accounts for the period ended 30 April 2019, which disclosed only called up share capital not paid, and issued share capital, of £1 and no other transactions. The company had entered into a number of transactions in the period ended 30 April 2019 that had not been reflected in the prior period financial statements. The comparative information has been restated to reflect these transactions.

The effect of the restatement is summarised in the reconciliations of profit and loss account and balance sheet below:

#### Reconciliation of profit and loss account

	As previously reported Period ended 30 April 2019 £	Effect of adjustments £	Restated Period ended 30 April 2019 £
<b>Turnover</b>	-	-	-
<b>Cost of sales</b>	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Gross loss</b>	-	-	-
Administrative expenses	-	(209,900)	(209,900)
	<hr/>	<hr/>	<hr/>
<b>Operating loss</b>	-	(209,900)	(209,900)
	<hr/>	<hr/>	<hr/>
<b>Loss before taxation</b>	-	(209,900)	(209,900)
Tax on loss	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Loss for the financial year</b>	-	(209,900)	(209,900)
Other comprehensive income for the year	-	-	-
	<hr/>	<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>	-	(209,900)	(209,900)
	<hr/>	<hr/>	<hr/>

## Notes (continued)

### 16. Prior period adjustments (continued)

#### Reconciliation of balance sheet

	As previously reported 30 April 2019		Effect of adjustments		Restated 30 April 2019	
	£	£	£	£	£	£
<b>Fixed assets</b>						
Tangible assets		-		139,345		139,345
		-		139,345		139,345
<b>Current assets</b>						
Debtors	1	56,191		56,192		
	1	56,191		56,192		
<b>Creditors: amounts falling due within one year</b>	-	(405,436)		(405,436)		
<b>Net current assets/(liabilities)</b>		1		(349,245)		(349,244)
<b>Total assets less current liabilities</b>		1		(349,245)		(349,244)
<b>Net assets/(liabilities)</b>		1		(209,900)		(209,899)
<b>Capital and reserves</b>						
Called up share capital		1		-		1
Profit and loss account		-		(209,900)		(209,900)
<b>Shareholders' funds/(deficit)</b>		1		(209,900)		(209,899)