

Registered number: 11591645

ENDCLIFFE HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

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ENDCLIFFE HOLDINGS LIMITED

COMPANY INFORMATION

Directors	R Barr (resigned 31 December 2021) L Buxton S Jonsson J Keeling-Heane M Wadsworth M Wheatley
Registered number	11591645
Registered office	Eland Road Denaby Main Doncaster South Yorkshire United Kingdom DN12 4HA
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor No 1 Whitehall Riverside Leeds LS1 4BN
Bankers	Yorkshire Bank 1st Floor 94-96 Briggate Leeds LS1 6NP
Solicitors	Knights plc Commercial House 14 Commercial Street Sheffield S1 2AT

ENDCLIFFE HOLDINGS LIMITED

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ENDCLIFFE HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

Introduction

Endcliffe Holdings Limited (the "Company") is a privately owned company, domiciled and registered in England and Wales.

The Company is the parent of Clytha Holdings Limited and to Senior Architectural Systems Limited ("the Group"). All three companies are domiciled and registered in England and Wales.

In order to limit operational impact on the business we have changed our year end date from 30 June to 31 December and the directors present their Strategic Report for the six months ended 31 December 2021.

Principal Activities

The principal activity of the Group is the design, manufacture and distribution of architectural aluminium systems, including powder coating and anodising to customer requirements.

Business review, objectives and strategy

Despite significant material price inflation and supply chain challenges the business has continued to perform in the same vein as the previous financial year. The directors are pleased with the overall group performance for the period ended 31 December 2021.

As we head into the new financial year, we continue to see unprecedented increases in the cost of Aluminium and swathe of cost pressures on other products and costs such as utilities. We monitor prices carefully, keep our supplier base under constant review, have tight controls on our cost base and where required adjust selling prices accordingly.

Underlying volumes have now settled at pre-pandemic levels in terms of tonnage sold in. We move into FY2022 with a strong order book and project pipeline through our strategic sales focus on Specification and Key Main Contractor relationships.

Whilst we have a strong product offering, the Group remains committed to innovation and product development and will be continuing with investment in these areas to continue to meet customer demands.

The Group objectives are:

- To continually improve product quality, delivery and performance
- To maintain and improve the well-being of employees
- To maximise operational efficiency
- To maximise financial returns
- To continue sustainable sales growth in key markets

ENDCLIFFE HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

The Group's strategy in the short term towards achieving these objectives is:

- To continually review our health, safety and environmental policies, procedures and performance and to make improvements identified
- To maintain strong relationships with customers, suppliers, contractors and all other stakeholders
- To continue to target expansion in the domestic market
- To maintain sales growth through geographical expansion into the South of England
- To seek to maximise cash generation to allow for reinvestment in Group assets where required, product development and continued innovation

Principal risks and uncertainties

The principal risks faced by the business are:

Health and Safety

We recognise that some of our operations have safety risk and with this in mind, the Company puts this at the top of its agenda. The Company mitigates risk by having strict health and safety procedures in place, continually reviewing practices, and following best practice, supported by third party independent reviews and audits.

Commodity risk

The Company's main raw material is aluminium, and prices of aluminium can vary significantly based on demand and market conditions. The Company mitigates this risk through having a range of suppliers in the UK, Europe and Asia that can be used to mitigate any volume or price issues, the Company also always utilises purchasing power to ensure competitive pricing. Price adjustments are considered as required.

Credit risk

The Company offers credit terms to most of its customers. To mitigate credit risk appropriate credit checks are performed on all customers and appropriate credit limits assigned. The Company also actively monitors payment performance and external indicators to help moderate risk. Our broad customer base helps spread this risk.

Environmental

The Company strives to achieve environmental best practice across its operations. To achieve this, policies, procedures and performance are kept under continuous review.

Plant reliability

Plant reliability is essential to the on-going and efficient operation of the business, as such, there is proactive, ongoing preventative maintenance performance by a skilled team of staff, along with continued investment in plant to help minimise down time and maximise operational efficiency

Economic uncertainty

Given limited overseas sales, our risk is largely determined by the UK economic environment. We supply into a variety of commercial sectors and the residential market which helps limit our exposure to any one area.

ENDCLIFFE HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

Key performance indicators

The directors focus on several key performance indicators to assess business performance, the KPIs applied focused on a broad area including the following:

- EBITDA
- Gross margin
- Cashflow performance
- Overhead levels
- Sales performance v budget and forecasts
- Working capital management

The directors also review non-financial performance indicators, including the measurement of employees' health & safety, and the Company's environmental impact and energy consumption.

Section 172 Statement

Under Section 172 of the Companies Act 2006, the Directors must promote the success of the group for the benefit of its members as a whole, and in doing so have regard to:

- the likely consequences of any decision in the long term,
- the interests of the Group's employees,
- the need to foster the Group's business relationships with suppliers, customers and others,
- the impact of the Group's operations on the community and the environment,
- the desirability of the Group maintaining a reputation for high standards of business conduct, and
- the need to act fairly as between members of the Group.

The Directors consider the following areas of key importance in fulfilment of this duty:

Budgeting and planning

The Group maintains a Budget and 3 Year Strategic Plan designed to assess the long-term impact of decision making. These plans are derived from a wide range of employees and shared regularly with key stakeholders. Performance is assessed against these plans.

Engagement with Stakeholders

The Board, individually and collectively, maintain relationships and regular dialogue with employees, customers, suppliers, financiers with the Group and consider stakeholder views and interests concerning principal decision making. We always operate in an open and transparent manner expecting the highest ethical and professional standards from all persons acting on behalf of the Group.

Community

The Group takes every opportunity to interact with the local community. Recent activities include engagement with Spanish suppliers to promote Spanish language skills within the South Yorkshire community (ages 5-15). In addition, the Group sponsor local sports teams, engage in fundraising initiatives, provide School's career talks and support a number of other local good causes.

ENDCLIFFE HOLDINGS LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Environmental

The Group always looks to adopt latest environmental initiatives relevant to our Industry. We continue to invest in energy efficiency initiatives aimed at reducing both waste and energy consumption and have signed up for the Climate Change Agreement through our industry body the Aluminium Federation (Alfed). In addition, we have continued our roll out of Electric and Hybrid vehicles, as and when fleet replacements fall due, and also adopted telematics to improve HGV fleet efficiency.

Policies & Procedures

The Group operates a training matrix system and ensures that staff have the correct skills and knowledge to perform their roles. The Group also has strict health & safety policies which are continually reviewed and also audited by third parties.

This report was approved by the board on 29 April 2022 and signed on its behalf.

Les Buxton

L Buxton
Director

ENDCLIFFE HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

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

Results and dividends

The profit for the period, after taxation, amounted to £850,875 (2021 - £7,119,045).

There were no dividends declared in the period (30 June 2021: £Nil).

Directors

The directors who served during the period were:

R Barr (resigned 31 December 2021)
L Buxton
S Jonsson
J Keeling-Heane
M Wadsworth
M Wheatley

Directors' Responsibilities Statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). 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 and profit or loss of the Company and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going concern

Having reviewed cash flow forecasts to June 2023, the directors do not believe that there are material uncertainties which cast significant doubt on the ability of the group to continue as a going concern. For that reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

ENDCLIFFE HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Engagement with suppliers, customers and others

The Board, individually and collectively, maintain relationships and regular dialogue with employees, customers, suppliers, financiers with the Group and consider stakeholder views and interests concerning principal decision making. We always operate in an open and transparent manner expecting the highest ethical and professional standards from all persons acting on behalf of the Group.

Streamlined Energy and Carbon Reporting (SECR)

This report was undertaken in accordance with the Streamlined Energy and Carbon ("SECR") Reporting requirements outlined in the Companies Act (2006) which requires Senior Architectural Systems Ltd ("SAS Ltd") to report on its Greenhouse Gas (GHG) emissions, total energy consumption across our UK sites and transport assets, and energy efficiency actions implemented for each financial year. For incomplete electricity consumption or gas consumption datasets, we will estimate consumption based on the pro-rated average of previous energy consumption. If these techniques have been applied, then this is clearly documented in our report. This report contains our SECR disclosure for our 2021 financial year which is now aligned with the calendar year (01 Jan – 31 Dec).

Methodology*Scope of analysis and data collection*

Over 2021 we have collected primary data for our sites, including: electricity consumption (kWh), gas consumption (kWh), onsite fuel consumption (gas oil and LPG – litres), purchased heat (from biomass – kWh), and company vehicle travel. All primary data used within this report is from 1st Jan 2021 to 31st Dec 2021, covering our calendar year. The scope of our GHG emissions calculation covers all of Senior Architectural Systems' operations.

GHG emissions sources selection and calculation

To ensure consistency in our reporting we are reporting all GHG emissions in units of CO₂e (carbon dioxide equivalent). We have used the 2021 GHG Conversion Factors published annually by Defra and BEIS.

Calculation Methodology

We have used the Defra and Greenhouse Gas Protocol (GHG Protocol) methodology for compiling this GHG data and, for UK energy consumption and emissions included the following material GHGs: CO₂, N₂O and CH₄. In accordance with the UK Government's reporting guidelines for Company Reporting and data conversion factors for Greenhouse Gas emissions.

GHG Emissions Scopes

The Greenhouse Gas Protocol (GHG Protocol) differentiates between direct and indirect emissions using a classification system across two different scopes:

- **Scope 1 Emissions:** direct emissions from sources which SAS Ltd owns or controls. This includes natural gas consumption in our sites, and travel by our vehicle fleet.
- **Scope 2 Emissions:** indirect emissions relating solely to the generation of purchased electricity that is consumed by SAS Ltd. This includes the procurement of grid electricity and onsite generation using biomass.

ENDCLIFFE HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021**

UK Energy Consumption

The table below displays our annual energy consumption for transport, electricity, fuels, purchased heat (biomass), and natural gas for the 2021 financial year (1st Jan 2021 to 31st Dec 2021). As per SECR reporting requirements this information is presented in kilowatt hours (kWh) and compared to our 2019 baseline year.

Emissions Source	Reporting Scope	Reporting Units	2019 (Jul-Jun)	2020 (Jul-Jun)	2021 (Jan-Dec)	%Change (vs 2019)
Natural Gas	Scope 1	Kilowatt hour (kWh)	3,919,163	3,773,207	3,692,433	-5.79%
Onsite Fuel (Diesel, LPG)	Scope 1	Kilowatt hour (kWh)	1,956,675	1,904,129	1,415,034	-27.68%
Company Vehicles	Scope 1	Kilowatt hour (kWh)	1,110,597	989,144	943,003	-15.09%
Grid Electricity	Scope 2	Kilowatt hour (kWh)	1,083,630	1,151,887	1,199,001	+10.65%
Biomass Generation	Scope 1	Kilowatt hour (kWh)	99,770	34,060	12,600	-87.37%
Total energy consumption (kWh)			8,169,835	7,852,427	7,262,071	-11.11%

GHG Emissions Reporting

In accordance with the SECR Emissions Reporting requirements outlined in the Companies Act for large companies our GHG disclosure for the 2021 financial year is listed below. Results have been split by Scope as outlined by the GHG Protocol calculation methodology and compared to our 2019 baseline year.

Emissions Reporting Scope	Reporting Units	2019 (Jul-Jun)	2020 (Jul-Jun)	2021 (Jan-Dec)	%Change (vs 2019)
Scope 1	tonnes CO ₂ e	1,456.52	1,380.41	1,225.76	-15.84%
Scope 2	tonnes CO ₂ e	294.54	274.55	256.74	-12.84%
Total GHG Emissions	tonnes CO ₂ e	1,751.06	1,654.96	1,482.49	-15.34%
GHG Emissions Intensity	tonnes CO ₂ e/production tns	0.39	0.32	0.29	-25.65%
GHG Emissions Intensity	tonnes CO ₂ e/floor space (m ²)	0.0131	0.0124	0.0111	-15.28%

Total GHG Emissions for Scope 1 and Scope 2 for the 2021 calendar year are 1,482.49 tonnes CO₂e. Of our total GHG emissions Scope 1 accounts for 82.7% and Scope 2 accounts for 17.3% of total GHG emissions. Our GHG Emissions CO₂e Intensity per tonne of aluminium produced is 0.29 tonnes CO₂e, and per square metre of floor area is 0.0111 tonnes CO₂e. Compared to our 2019 baseline year, our overall GHG emissions footprint has decreased by 15.34%.

ENDCLIFFE HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Principal Energy Efficiency Actions

We recognise that our largest GHG emissions impact is from the energy during the manufacturing process. During the reporting year, Senior Architectural Systems Ltd (SAS Ltd) has continued to implement our Climate Change Agreement through our industry body the Aluminium Federation (Alfed); which requires ongoing monitoring and reporting of our energy use at our factory; setting targets to reduce energy consumption and in turn reduce our GHG emissions. SAS Ltd will continue to identify and implement energy reduction projects and initiatives to improve the energy efficiency of our operations.

Utilising route optimisation and monitoring through vehicle telematics systems, SAS Ltd has continued to further reduce the number of unnecessary journeys completed by our vehicle fleet, lowering the number of individual HGVs delivering products to the same regions, and in turn reducing our overall GHG emissions footprint. During the reporting year we have also increased the number of electric vehicles within our company car fleet; reducing our reliance on fossil fuel vehicles and reducing our overall fuels consumption. SAS Ltd is also still actively encouraging the use of online video meetings (where suitable), to reduce unnecessary business travel into our offices and to customer sites.

Subsequent events

Following period end the Company bought back shares. The shares purchased were 38,000 class D ordinary shares, each with a nominal value of £0.0001. The purchase was completed on 1 February 2022.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

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

This report was approved by the board on 29 April 2022 and signed on its behalf.



L Buxton
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENDCLIFFE HOLDINGS LIMITED

Opinion

We have audited the financial statements of Endcliffe Holdings Limited (the 'Parent Company') and its subsidiaries together, (the 'Group') for the period from 01 July 2021 to 31 December 2021, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated and Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2021 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Group and the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENDCLIFFE HOLDINGS LIMITED
(CONTINUED)**

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 and of the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENDCLIFFE HOLDINGS LIMITED
(CONTINUED)**

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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 Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 for the financial statements

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

In preparing the financial statements, the directors are responsible for assessing the 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 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.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENDCLIFFE HOLDINGS LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud. We corroborate our enquiries through our review of board minutes.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Company and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the jurisdictions in which the Company operates. In addition, we concluded that there are certain significant laws and regulations that may have an effect on the determination of the amounts and disclosures in the financial statements and those laws and regulations relating to health and safety, employee matters, data protection, environmental, and bribery and corruption practices.
- We assessed the susceptibility of the Group and the Company's financial statements to material misstatement, including how fraud might occur by inquiring of management where they considered there was a susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings. Audit procedures performed by the engagement team included:
 - Evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - Testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
 - Identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery, or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - Knowledge of the industry in which the client operates;
 - Understanding of the legal and regulatory requirements specific to the entity.
- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ENDCLIFFE HOLDINGS LIMITED
(CONTINUED)**

- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - The entity's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement;
 - The applicable statutory provisions.

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.

Grant Thornton UK LLP

Andrew Wood
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Leeds

29 April 2022

ENDCLIFFE HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Note	31 December 2021 £	30 June 2021 £
Turnover	4	24,209,224	42,105,823
Cost of sales		(14,216,434)	(23,978,461)
Gross profit		9,992,790	18,127,362
Amortisation of goodwill	14	(1,300,983)	(2,601,966)
Administrative expenses		(5,127,879)	(10,572,737)
Exceptional items	6	(1,771,618)	5,994,944
Other operating income	5	-	18,835
Operating profit	7	1,792,310	10,966,438
Interest receivable and similar income	11	69	17,727
Interest payable and expenses	12	(330,414)	(2,368,627)
Profit before taxation		1,461,965	8,615,538
Tax on profit	13	(611,090)	(1,496,493)
Profit for the financial period		850,875	7,119,045
Profit for the period attributable to:			
Owners of the parent Company		850,875	7,119,045
		850,875	7,119,045

There was no other comprehensive income for the period ended 31 December 2021 (30 June 2021: £Nil).

The notes on pages 22 to 44 form part of these financial statements.

ENDCLIFFE HOLDINGS LIMITED
REGISTERED NUMBER:11591645

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

		31 December 2021 £	30 June 2021 £
	Note		
Fixed assets			
Intangible assets	14	17,704,065	19,005,048
Tangible assets	15	1,515,528	1,643,255
		<u>19,219,593</u>	<u>20,648,303</u>
Current assets			
Stock	17	7,080,190	5,978,080
Debtors: amounts falling due within one year	18	9,793,813	9,371,770
Cash at bank and in hand		2,606,932	10,418,503
		<u>19,480,935</u>	<u>25,768,353</u>
Creditors: amounts falling due within one year	19	(13,052,782)	(11,395,809)
Net current assets		<u>6,428,153</u>	<u>14,372,544</u>
Total assets less current liabilities		<u>25,647,746</u>	<u>35,020,847</u>
Creditors: amounts falling due after more than one year	20	(11,740,468)	(21,965,829)
Provisions for liabilities			
Deferred taxation	22	(27,776)	(26,391)
		<u>(27,776)</u>	<u>(26,391)</u>
Net assets		<u><u>13,879,502</u></u>	<u><u>13,028,627</u></u>

ENDCLIFFE HOLDINGS LIMITED
REGISTERED NUMBER:11591645

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2021

		31 December 2021 £	30 June 2021 £
	Note		
Capital and reserves			
Called up share capital	23	10	10
Share premium account	24	11,447,497	11,447,497
Profit and loss account	24	2,431,995	1,581,120
		<u>13,879,502</u>	<u>13,028,627</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 April 2022.

L S Buxton

L Buxton
 Director

The notes on pages 22 to 44 form part of these financial statements.

ENDCLIFFE HOLDINGS LIMITED
REGISTERED NUMBER: 11591645

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	31 December 2021 £	30 June 2021 £
Fixed assets			
Investments	16	33,554,573	33,554,573
		<u>33,554,573</u>	<u>33,554,573</u>
Creditors: amounts falling due within one year	19	(15,388,554)	(3,075,116)
Net current liabilities		<u>(15,388,554)</u>	<u>(3,075,116)</u>
Total assets less current liabilities		<u>18,166,019</u>	<u>30,479,457</u>
Creditors: amounts falling due after more than one year	20	(11,740,468)	(21,965,829)
Net assets		<u><u>6,425,551</u></u>	<u><u>8,513,628</u></u>
Capital and reserves			
Called up share capital	23	10	10
Share premium account	24	11,447,497	11,447,497
Profit and loss account brought forward		(2,933,879)	(6,588,524)
(Loss)/profit for the period		(2,088,077)	3,654,645
Profit and loss account carried forward		(5,021,956)	(2,933,879)
		<u><u>6,425,551</u></u>	<u><u>8,513,628</u></u>

The Company made a loss of £2,088,077 (30 June 2021: profit £3,654,645) for the period ended 31 December 2021.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 April 2022.

L Buxton *L Buxton*
 Director

The notes on pages 22 to 44 form part of these financial statements.

ENDCLIFFE HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2021	10	11,447,497	1,581,120	13,028,627
Comprehensive income for the period				
Profit for the period	-	-	850,875	850,875
At 31 December 2021	<u>10</u>	<u>11,447,497</u>	<u>2,431,995</u>	<u>13,879,502</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2020	10	-	(5,537,925)	(5,537,915)
Comprehensive income for the year				
Profit for the year	-	-	7,119,045	7,119,045
Shares issued during the year	-	11,447,497	-	11,447,497
At 30 June 2021	<u>10</u>	<u>11,447,497</u>	<u>1,581,120</u>	<u>13,028,627</u>

The notes on pages 22 to 44 form part of these financial statements.

ENDCLIFFE HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2021	10	11,447,497	(2,933,879)	8,513,628
Comprehensive income for the year				
Loss for the period	-	-	(2,088,077)	(2,088,077)
At 31 December 2021	<u>10</u>	<u>11,447,497</u>	<u>(5,021,956)</u>	<u>6,425,551</u>

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2020	10	-	(6,588,524)	(6,588,514)
Comprehensive income for the year				
Profit for the year	-	-	3,654,645	3,654,645
Shares issued during the year	-	11,447,497	-	11,447,497
At 30 June 2021	<u>10</u>	<u>11,447,497</u>	<u>(2,933,879)</u>	<u>8,513,628</u>

The notes on pages 22 to 44 form part of these financial statements.

ENDCLIFFE HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

	31 December 2021 £	<i>30 June 2021 £</i>
Cash flows from operating activities		
Profit for the financial period	850,875	7,119,045
Adjustments for:		
Amortisation of intangible assets	1,300,983	2,601,966
Depreciation of tangible assets	274,472	752,449
Profit on disposal of tangible assets	(31,125)	(39,692)
Interest paid	330,414	2,368,627
Interest received	(69)	(17,727)
Capital restructure	-	(4,295,323)
Modification of loan notes	809,924	(1,758,361)
Taxation charge	611,090	1,496,493
(Increase) in stocks	(1,102,110)	(911,777)
(Increase) in debtors	(422,043)	(1,967,902)
(Decrease)/increase in creditors	(175,532)	2,567,746
Corporation tax (paid)	(626,744)	(592,051)
Net cash generated from operating activities	1,820,135	7,323,493
Cash flows from investing activities		
Purchase of tangible fixed assets	(146,745)	(200,614)
Sale of tangible fixed assets	31,125	39,692
Interest received	69	17,727
Net cash from investing activities	(115,551)	(143,195)

ENDCLIFFE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021

	31 December 2021 £	<i>30 June 2021 £</i>
Cash flows from financing activities		
Repayment of loans	(13,515,480)	-
Drawdown of loans	10,000,000	-
Repayment of other loans	(5,670,261)	-
Interest paid	(330,414)	<i>(829,175)</i>
Net cash used in financing activities	(9,516,155)	<i>(829,175)</i>
Net (decrease)/increase in cash and cash equivalents	(7,811,571)	<i>6,351,123</i>
Cash and cash equivalents at beginning of period	10,418,503	<i>4,067,380</i>
Cash and cash equivalents at the end of period	<u>2,606,932</u>	<i><u>10,418,503</u></i>
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	<u>2,606,932</u>	<i><u>10,418,503</u></i>

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

1. General information

Endcliffe Holdings Limited is a private company limited by shares and incorporated in England and Wales. Its registered head office is located at Eland Road, Denaby Main, Doncaster, South Yorkshire, United Kingdom, DN12 4HA.

Its principal activity of the Company is the design, manufacture and distribution of architectural aluminium systems, including powder coating and anodising to customer requirements.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the Companies Act 2006.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries (the "Group") as if they form a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

Having reviewed cash flow forecasts to June 2023, the directors do not believe that there are material uncertainties which cast significant doubt on the ability of the company to continue as a going concern. For that reason, the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP (£).

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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

2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions**Defined contribution pension plan**

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.10 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.12 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10 years
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2.13 Tangible fixed assets

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

ENDCLIFFE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

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

The estimated useful lives range as follows:

Improvements to leasehold property	- Over the life of the lease
Plant and machinery	- Over 15 years
Motor vehicles	- Over 4 years
Fixtures and fittings	- Over 4 years
Computer equipment	- Over 5 years
Plant and machinery - Paint line	- Over 20 years
Plant and machinery - Tooling	- Over 4 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Stock

Stock is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost of stock is based on a standard cost. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stock is assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Statement of Comprehensive Income.

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.19 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)**2.20 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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

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

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

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

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

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

Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management consider factors including the current credit rating of the debtor, the ageing profile and the historical experience of the debtor.

Useful economic life of tangible fixed assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates based on future investments, economic utilisation and the physical condition of the assets.

Impairment of stock

The Group makes an estimate of the recoverable value of stock. When calculating the stock provision, management considers the nature and condition of the inventory as well as applying assumptions around anticipated saleability of finished goods and any future use of raw materials.

Impairment of investments

The Group considers the impairment of investments held based on the expected future income of the investments. Where the future income is expected to be below the carrying value of the investment an impairment charge is recognised.

4. Turnover

	31 December 2021 £	30 June 2021 £
United Kingdom	23,976,370	41,624,555
Rest of Europe	232,854	481,268
	<u>24,209,224</u>	<u>42,105,823</u>

5. Other operating income

	31 December 2021 £	30 June 2021 £
Government grants - Coronavirus Job Retention Scheme	<u>-</u>	<u>18,835</u>

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

6. Exceptional items

	31 December 2021 £	<i>30 June 2021 £</i>
Capital restructure	-	4,236,583
Modification of loan notes	(809,924)	1,758,361
Refinancing costs	(961,694)	-
	<u>(1,771,618)</u>	<u>5,994,944</u>

On the 15th July 2021, the Company refinanced with Yorkshire Bank taking a £10m five-year term loan. These loan proceeds, along with surplus cash, were used to redeem all Tosca Debt Capital Debt (£13.5m) as well as £5.7m of Loan Notes. This led to refinancing costs, including exit fees and make good interest, totalling £1.0m in addition to a reversal of amortisation of loan notes totalling £0.8m on redemption.

7. Operating profit

The operating profit is stated after charging / (crediting):

	31 December 2021 £	<i>30 June 2021 £</i>
Hire of plant and machinery	120,885	99,022
Property rental	346,145	692,229
Research and development expenditure	55,703	341,213
Profit on disposal of fixed assets	(31,125)	(39,692)
Exchange differences	(59,328)	(21,580)
Amortisation of intangible assets, including goodwill	1,300,983	2,601,966
Depreciation of tangible fixed assets	<u>274,472</u>	<u>752,449</u>

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

8. Auditor's remuneration

	31 December 2021 £	<i>30 June 2021 £</i>
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	53,000	<i>48,500</i>
Fees payable to the Group's auditor and its associates in respect of:		
Audit-related assurance services	3,000	<i>2,000</i>
Taxation compliance services	7,400	<i>7,500</i>
Tax advisory services	5,000	<i>25,450</i>
	15,400	<i>34,950</i>

Liability limitation agreement with the auditor

The Company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditors, in respect of the statutory audit for the six month period ended 31 December 2021. The proportionate liability agreement follows the standard terms in Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditors Liability Agreements, and was approved by the shareholders on 27 January 2022.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

9. Employees

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

	Group 31 December 2021 £	<i>Group 30 June 2021 £</i>	Company 31 December 2021 £	<i>Company 30 June 2021 £</i>
Wages and salaries	2,702,116	5,770,474	-	-
Social security costs	230,319	574,882	-	-
Cost of defined contribution scheme	86,139	201,950	-	-
	<u>3,018,574</u>	<u>6,547,306</u>	<u>-</u>	<u>-</u>

No employees were remunerated through the parent Company in the current or comparative year.

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

	31 December 2021 No.	<i>30 June 2021 No.</i>
Administration	61	65
Warehouse and distribution	104	97
	<u>165</u>	<u>162</u>

10. Directors' remuneration

	31 December 2021 £	<i>30 June 2021 £</i>
Directors' emoluments	485,941	1,555,137
Company contributions to defined contribution pension schemes	25,070	44,697
	<u>511,011</u>	<u>1,599,834</u>

During the period retirement benefits were accruing to 4 directors (2021 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £121,612 (2021 - £699,223).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £6,987 (2021 - £11,535).

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

11. Interest receivable

	31 December 2021 £	<i>30 June 2021 £</i>
Other interest receivable	<u>69</u>	<u>17,727</u>

12. Interest payable and similar expenses

	31 December 2021 £	<i>30 June 2021 £</i>
Bank interest payable	330,414	1,545,530
Other loan interest payable	-	823,097
	<u>330,414</u>	<u>2,368,627</u>

13. Taxation

	31 December 2021 £	<i>30 June 2021 £</i>
Corporation tax		
Current tax on profits for the year	745,365	1,476,111
Adjustments in respect of previous periods	(135,660)	53,573
Total current tax	<u>609,705</u>	<u>1,529,684</u>
Deferred tax		
Origination and reversal of timing differences	5,004	(33,191)
Adjustments in respect of prior years	(3,619)	-
Total deferred tax	<u>1,385</u>	<u>(33,191)</u>
Taxation on profit on ordinary activities	<u>611,090</u>	<u>1,496,493</u>

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

13. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (30 June 2021: lower than) the standard rate of corporation tax in the UK of 19% (30 June 2021: 19%). The differences are explained below:

	31 December 2021 £	30 June 2021 £
Profit on ordinary activities before tax	1,461,965	8,615,538
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (30 June 2021: 19%)	277,773	1,636,952
Effects of:		
Fixed asset permanent differences	10,280	34,290
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	459,981	508,458
Capital allowances for period/year in excess of depreciation	(135,814)	53,573
Non-taxable income	-	(477,026)
Deferred tax not recognised	-	(266,089)
Remeasurement of deferred tax for changes in tax rates	1,202	6,335
Amounts otherwise transferred	1,133	-
Adjustments to tax charge - deferred tax	(3,465)	-
Total tax charge for the period/year	611,090	1,496,493

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

14. Intangible assets

Group and Company

	Goodwill £
Cost	
At 1 July 2021	26,019,663
At 31 December 2021	<u>26,019,663</u>
Amortisation	
At 1 July 2021	7,014,615
Charge for the period on owned assets	1,300,983
At 31 December 2021	<u>8,315,598</u>
Net book value	
At 31 December 2021	<u><u>17,704,065</u></u>
<i>At 30 June 2021</i>	<u><u>19,005,048</u></u>

ENDCLIFFE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021

15. Tangible fixed assets

Group

	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 July 2021	738,102	5,507,162	698,657	1,586,910	1,824,608	10,355,439
Additions	32,333	103,485	-	7,161	3,766	146,745
Disposals	-	-	(71,362)	-	-	(71,362)
At 31 December 2021	<u>770,435</u>	<u>5,610,647</u>	<u>627,295</u>	<u>1,594,071</u>	<u>1,828,374</u>	<u>10,430,822</u>
Depreciation						
At 1 July 2021	647,475	4,304,490	614,354	1,452,089	1,693,776	8,712,184
Charge for the period	13,166	159,234	35,201	36,862	30,009	274,472
Disposals	-	-	(71,362)	-	-	(71,362)
At 31 December 2021	<u>660,641</u>	<u>4,463,724</u>	<u>578,193</u>	<u>1,488,951</u>	<u>1,723,785</u>	<u>8,915,294</u>
Net book value						
At 31 December 2021	<u>109,794</u>	<u>1,146,923</u>	<u>49,102</u>	<u>105,120</u>	<u>104,589</u>	<u>1,515,528</u>
At 30 June 2021	<u>90,627</u>	<u>1,202,672</u>	<u>84,303</u>	<u>134,821</u>	<u>130,832</u>	<u>1,643,255</u>

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

16. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 July 2021	33,554,573
At 31 December 2021	<u>33,554,573</u>
Net book value	
At 31 December 2021	<u>33,554,573</u>
At 30 June 2021	<u>33,554,573</u>

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Class of shares	Holding
Clytha Holdings Limited	Ordinary	100%

Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the Company:

Name	Class of shares	Holding
Senior Architectural Systems Limited	Ordinary	100%

The registered office of the above subsidiaries are the same as that on the Company information page.

Both subsidiaries have been included within the consolidated financial statements.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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17. Stock

	Group 31 December 2021 £	<i>Group 30 June 2021 £</i>
Raw materials and consumables	2,199,075	1,781,596
Finished goods and goods for resale	4,881,115	4,196,484
	<u>7,080,190</u>	<u>5,978,080</u>

The provision against stock at the period end was £541,852 (30 June 2021: £419,602).

An impairment loss of £122,250 (30 June 2021: £208,545) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

The balance of stock in the parent Company as at 31 December 2021 is £Nil (30 June 2021: £Nil).

18. Debtors

	Group 31 December 2021 £	<i>Group 30 June 2021 £</i>
Trade debtors	9,183,259	8,718,693
Other debtors	610,554	653,077
	<u>9,793,813</u>	<u>9,371,770</u>

At the period end there was a provision against trade debtors of £866,754 (30 June 2021: £813,449).

The balance of debtors in the parent Company as at 31 December 2021 is £Nil (30 June 2021: £Nil).

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

19. Creditors: Amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	31 December	<i>30 June</i>	31 December	<i>30 June</i>
	2021	<i>2021</i>	2021	<i>2021</i>
	£	<i>£</i>	£	<i>£</i>
Bank loans	2,000,000	<i>150,456</i>	2,000,000	<i>150,456</i>
Other loans	250,000	<i>250,000</i>	250,000	<i>250,000</i>
Trade creditors	7,603,301	<i>6,469,356</i>	-	-
Corporation tax	943,324	<i>960,363</i>	-	-
Amounts owed to Group undertakings	-	-	13,138,554	<i>2,674,660</i>
Other taxation and social security	740,436	<i>891,582</i>	-	-
Other creditors	131,419	<i>256,536</i>	-	-
Accruals and deferred income	1,384,302	<i>2,417,516</i>	-	-
	13,052,782	<i>11,395,809</i>	15,388,554	<i>3,075,116</i>

Amounts owed to Group undertakings are unsecured, interest free and repayable on demand.

The group re-financed on 15th July 2021. Subsidiary cash was used to help repay existing parent company debt and some loan notes, leading to a growth in amounts owed to group companies of £10.1m.

20. Creditors: Amounts falling due after more than one year

	Group	<i>Group</i>	Company	<i>Company</i>
	31 December	<i>30 June</i>	31 December	<i>30 June</i>
	2021	<i>2021</i>	2021	<i>2021</i>
	£	<i>£</i>	£	<i>£</i>
Bank loans	7,000,000	<i>12,365,024</i>	7,000,000	<i>12,365,024</i>
Other loans	4,740,468	<i>9,600,805</i>	4,740,468	<i>9,600,805</i>
	11,740,468	<i>21,965,829</i>	11,740,468	<i>21,965,829</i>

Bank loans are fully repayable by 30 June 2026 and bear cash interest at a rate of 3% + Base Rate per annum. Capital payments of £500k and any accrued interest are made at the end of each calendar quarter. Bank loans are secured by Debenture over the assets of the Group.

Other loans are fully repayable by 31st October 2028. The loan notes bear no interest up until 31st October 2023 and then accrue interest at 6% per annum from 1st November 2023. Interest is repayable in line with capital. The face value of loan notes at the balance sheet date is £5.5m but carried at an amortised amount through the nil interest period.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

21. Loans

The repayment of loans is as follows:

	Group 31 December 2021 £	<i>Group 30 June 2021 £</i>	Company 31 December 2021 £	<i>Company 30 June 2021 £</i>
Amounts falling due within one year				
Bank loans	2,000,000	150,456	2,000,000	150,456
Other loans	250,000	250,000	250,000	250,000
Amounts falling due 2-5 years				
Bank loans	7,000,000	12,365,024	7,000,000	12,365,024
Other loans	-	444,998	-	444,998
Amounts falling due after more than 5 years				
Other loans	4,740,468	9,155,807	4,740,468	9,155,807
	<u>13,990,468</u>	<u>22,366,285</u>	<u>13,990,468</u>	<u>22,366,285</u>

22. Deferred taxation

Group

	31 December 2021 £	<i>30 June 2021 £</i>
At beginning of year	(26,391)	(59,582)
(Charged)/Credited to profit and loss	(1,385)	33,191
At end of year	<u>(27,776)</u>	<u>(26,391)</u>

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

22. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	Group 31 December 2021 £	Group 30 June 2021 £
Accelerated capital allowances	(35,664)	(30,661)
Other timing differences	7,888	3,616
Tax losses carried forward	-	654
	<u>(27,776)</u>	<u>(26,391)</u>

23. Share capital

	31 December 2021 £	30 June 2021 £
Allotted, called up and fully paid		
249,000 (<i>June 2021: 249,000</i>) A Ordinary shares of £0.00001 each	2.49	2.49
586,900 (<i>June 2021: 586,900</i>) B Ordinary shares of £0.00001 each	5.87	5.87
126,100 (<i>June 2021: 126,100</i>) C Ordinary shares of £0.00001 each	1.26	1.26
38,000 (<i>June 2021: 38,000</i>) D Ordinary shares of £0.00001 each	0.38	0.38
975 E Ordinary shares of £0.00001 each	0.01	0.01
25 F Ordinary shares of £0.00001 each	-	-
	<u>10.01</u>	<u>10.01</u>

All shares are non-redeemable and have voting rights (rights to attend and participate in general meetings and vote on any resolutions), dividend rights (rights to participate in a distribution) and capital rights (rights to participate in a distribution, including on winding up).

In respect of Capital Rights, E & F share classes have preferential rights to any proceeds ranging from £35,000,000 to £50,000,000. Proceeds above or below this range are distributable according to number of shares held as a percentage of total.

24. Reserves**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current & prior periods retained profits & losses.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

25. Analysis of net debt

	At 1 July 2021 £	Cash flows £	Non-cash changes £	At 31 December 2021 £
Cash at bank and in hand	10,418,503	(7,811,571)	-	2,606,932
Debt due within 1 year	(400,456)	(1,599,544)	-	(2,000,000)
Debt due after 1 year	(21,965,829)	11,115,699	(1,140,338)	(11,990,468)
	<u>(11,947,782)</u>	<u>1,704,584</u>	<u>(1,140,338)</u>	<u>(11,383,536)</u>

26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £86,139 (30 June 2021: £201,950). Contributions totaling £11,809 (30 June 2021: £31,759) were payable to the fund at the reporting date and are included in creditors.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

27. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 31 December 2021 £	<i>Group 30 June 2021 £</i>
Land and buildings		
Not later than 1 year	652,984	524,740
Later than 1 year and not later than 5 years	2,545,357	1,562,024
Later than 5 years	1,865,751	2,060,588
	<u>5,064,092</u>	<u>4,147,352</u>

	Group 31 December 2021 £	<i>Group 30 June 2021 £</i>
Other		
Not later than 1 year	277,772	341,213
Later than 1 year and not later than 5 years	514,687	584,707
	<u>792,459</u>	<u>925,920</u>

28. Related party transactions

During the year, the Company has transacted with subsidiaries which are wholly controlled by Endcliffe Holdings Limited and which form part of the consolidated Group.

An exemption from disclosing related party transactions with wholly owned Group entities has been claimed under FRS 102.331A.

The directors consider that key management personnel and the directors are the same, as such no disclosure regarding key management personnel remuneration has been made.

Amounts due to members of key management personnel are £5,661,054 (30 June 2021: £12,163,405).

29. Subsequent events

Following period end the Company bought back shares. The shares purchased were 38,000 class D ordinary shares, each with a nominal value of £0.0001. The purchase was completed on 1 February 2022.

ENDCLIFFE HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**

30. Controlling party

Endcliffe Holdings Limited has no ultimate controlling party and no individual shareholder holds more than 50% of the share capital.