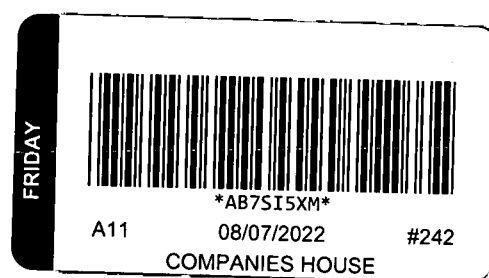


Registered number: 13016030

ADCOCK GROUP HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2022



ADCOCK GROUP HOLDINGS LIMITED

COMPANY INFORMATION

DIRECTORS

J R Adcock
S J Prior
P J Prior

REGISTERED NUMBER

13016030

REGISTERED OFFICE

Units K & L South Cambridge Business Park
Babraham Road
Sawston
Cambridge
CB22 3JH

INDEPENDENT AUDITORS

Peters Elworthy & Moore
Chartered Accountants & Statutory Auditors
Salisbury House
Station Road
Cambridge
CB1 2LA

ADCOCK GROUP HOLDINGS LIMITED

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ADCOCK GROUP HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2022

INTRODUCTION

The directors present their Strategic Report for the period ended 31 January 2022.

BUSINESS REVIEW

The third national lockdown (to May 2021) did not have a significant impact on our trading, which has returned to pre pandemic levels for Installation and Service work, although Maintenance has not fully recovered. This is reflected by an improvement in Trading results, with a profit before tax of £2.8m compared to a loss before tax of £0.1m in the previous year.

The Group considers its key performance indicators to be order intake, turnover, margin and staff levels. Installation order intake across the year as a whole remained strong, increasing from £26.8m to £29.0m. Trading Turnover increased from £39.0m to £44.3m. Trading gross profit margin increased from 17.4% to 19.3%. Average staff levels remained stable at 220 (2021 – 224).

The Group does not trade outside of the United Kingdom so is not affected by Brexit arrangements.

The Group continues its policy of investing in training in its bespoke City & Guilds accredited training centre in King's Lynn to enhance the quality of front-line staff to meet the needs of a demanding customer base, implementing training in a Covid secure way.

The Group continues its policy of investing in commercial property. In November 2021 we purchased two office units in Sawston and completed a fit out and refurbishment. In March 2022, Head Office moved from a leased office in Great Shelford into these units. The Group has obtained planning permission for a residential development on the site of former office premises at Copford, Colchester.

PRINCIPAL RISKS AND UNCERTAINTIES

Personnel risk

The Group seeks to attract and retain good quality staff through its processes for training, working conditions and total remuneration packages.

Health and Safety Risk

The Group takes its responsibilities for health and safety of its staff seriously and has a dedicated SHEQ Manager. The Company maintains appropriate standards by way of training and compliance with legal requirements. Adcock Refrigeration and Air Conditioning Limited is certified to ISO 9001, 14001, 27001 and 45001.

Liquidity risk

The Group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The Group had cash at bank and in hand of £6.8m at year end (2021: £6.2m).

Credit risk

The Group's principal financial assets are cash and trade debtors, with the main risk arising from its trade debtors. In order to manage the credit risk management run credit checks for new and existing customers, require stage payment from customers and request advance payment from customers where required.

ADCOCK GROUP HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

COMPANY VALUES

Aspire - Seeking continuous improvement, aiming to deliver an outstanding client experience every day.

Dedicated - Delivering on our promises to both colleagues and customers because we are accountable and believe in our values

Courteous - Treat colleagues and customers with respect and undertake all tasks with honesty, transparency and integrity.

Openness - Communicating honestly and as openly as possible while actively encouraging and listening to different opinions and perspectives.

Caring - Creating a healthy, safe and environmentally aware culture where we care for our colleagues, customers, communities and the environment.

Knowledgeable - As a team we will continue to strive to develop each other, our service and our business.

"We are a family business and have family values at our core; we respect one another and always treat others as we would like to be treated ourselves. We expect the highest moral and ethical standards from everyone involved with our business." John Adcock - Founder

DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE GROUP

The directors recognise their duty to act in good faith to benefit the group's stakeholders. The directors make decisions to promote the ongoing success of the Group. When making decisions the directors consider the impact upon stakeholders as follows:

- **Customers** – We deliver our company values as listed above: Aspire, Dedicated, Courteous, Openness, Caring and Knowledgeable.
- **Environment** – We are mindful of climate change and the need to reduce our carbon footprint, both in our operations, and through the products that we supply to our customers.
- **Community** – We are part of the local community across our Branch network. We employ local people and engage local subcontractors. We sponsor local sports teams, charities and events.
- **Employees** – We communicate regularly through in person meetings, Microsoft Teams, and regular reviews with managers. We invest in staff training delivered over Microsoft Teams, web based courses, and in person courses at our in house Training Centre. We provide employees with high quality IT equipment, tools, protective clothing and vehicles. We complete the Great Place to Work programme each year.
- **Subcontractors** – We ensure that all of our subcontractors are accredited for health and safety and have appropriate insurance in place. We monitor the quality of their work, and ensure that they are paid promptly.
- **Suppliers** – We develop committed relationships with our supply chain to ensure that we deliver quality products and services; and maintain a diversity of suppliers.
- **Shareholders** – We have strong financial processes including monthly financial reporting and prudent cash management.

ADCOCK GROUP HOLDINGS LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2022**

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

P J Prior

**P J Prior
Director**

Date: 28 June 2022

ADCOCK GROUP HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2022

The directors present their report and the financial statements for the year ended 31 January 2022.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to 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.

PRINCIPAL ACTIVITY

The principal activity of the Group was installation, servicing and maintenance of air conditioning and refrigeration systems.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £2,366,413 (2021 - £414,307).

The dividends declared during the year amounted to £1,200,000 (2021 - £NIL).

DIRECTORS

The directors who served during the year were:

J R Adcock (appointed 13 November 2020)
B I Adcock (appointed 13 November 2020, deceased 19 October 2021)
S J Prior (appointed 13 November 2020)
P J Prior (appointed 13 November 2020)

ADCOCK GROUP HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2022

ENVIRONMENTAL REPORTING

We are committed to energy efficiency across our business and seek to reduce greenhouse gas emissions where possible. This is our first year of reporting, and all of our energy usage occurs within the United Kingdom. Our energy usage is summarised below:

	2022 t/CO₂e	2022 MWH	2021 t/CO₂e	2021 MWH
Scope 1 (gas, diesel and other fuels)				
Company vehicles	846	3,986	751	3,539
Scope 2 (electricity, location based)				
Offices	79	371	83	392
Total emissions in tonnes CO₂e	925		834	
Intensity ratio	21		21	
Total energy consumption MWH		4,357		3,931

Note: t/CO₂e = tonnes of carbon dioxide equivalent

Our intensity ratio is tonnes of carbon dioxide equivalent emitted per million pounds of turnover. We have followed the March 2019 Government Environmental Reporting Guidelines when compiling these numbers. We report on an 'operational control' basis, meaning our data covers energy use from our own offices and vehicle fleet. We are certified to ISO 14001 and continue to improve our measurement and management processes for emissions and energy consumption. All new company cars are fully electric, with charging points installed in the majority of our locations. We have solar panels which generated 58 MWH of green electricity during the year, half of which is exported to the National Grid.

ENGAGEMENT WITH EMPLOYEES

During 2021 the Group completed its third Great Place to Work employee survey and achieved a result of 80% employee satisfaction rating, an increase from 78% in 2020. This puts the Group in the 'Great Company to work for' engagement bracket. The Group has made changes informed by employee feedback from this survey.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

POST BALANCE SHEET EVENTS

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

AUDITORS

The auditors, Peters Elworthy & Moore, have expressed their willingness to continue in office as auditor and a resolution to reappoint them will be proposed.

ADCOCK GROUP HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2022**

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

Philipp Prior

**P J Prior
Director**

Date: 28 June 2022

ADCOCK GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADCOCK GROUP HOLDINGS LIMITED

OPINION

We have audited the financial statements of Adcock Group Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2022, which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, 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 parent Company's affairs as at 31 January 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

ADCOCK GROUP HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADCOCK GROUP HOLDINGS LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 year 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.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

ADCOCK GROUP HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADCOCK GROUP HOLDINGS LIMITED
(CONTINUED)**

AUDITORS' 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 Auditors' 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 Group financial statements.

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

Audit procedures performed by the engagement team to identify and assess the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, were as follows:

- We identified the laws and regulations applicable to the Group through discussions with the directors and other management, and from our commercial knowledge and experience of the UK construction services and repairs and maintenance industry;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements, including the Companies Act 2006 and taxation legislation, or the operations of the Group including data protection and employment legislation;
- We understood how the Group is complying with those legal and regulatory requirements by making enquiries of management and inspecting correspondence available; and
- The identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

The audit engagement team discussed opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management override of controls we:

- Tested the appropriateness of journal entries and other adjustments;
- Designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.

ADCOCK GROUP HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ADCOCK GROUP HOLDINGS LIMITED
(CONTINUED)**

In response to the risk of irregularities, including fraud and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Enquiring of management as to actual and potential litigation and claims; and
- Reading the minutes of meetings of those charged with governance.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non compliance. Auditing standards also limit the audit procedures required to identify non compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect from those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

USE OF OUR REPORT

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Warren Tilbury (Senior Statutory Auditor)

for and on behalf of
Peters Elworthy & Moore

Chartered Accountants
Statutory Auditors

Salisbury House
Station Road
Cambridge
CB1 2LA

Date: 28 June 2022

ADCOCK GROUP HOLDINGS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2022**

	Note	2022 £	2021 £
Turnover	4	44,328,797	38,979,932
Cost of sales		(35,785,805)	(32,211,252)
GROSS PROFIT		8,542,992	6,768,680
Administrative expenses		(5,802,269)	(5,638,935)
Exceptional administrative expenses		-	(2,219,100)
Other operating income	5	44,277	941,054
OPERATING PROFIT/(LOSS)		2,785,000	(148,301)
Interest receivable and similar income	9	10,683	44,868
PROFIT/(LOSS) BEFORE TAX		2,795,683	(103,433)
Tax on profit/(loss)	10	(429,270)	517,740
PROFIT FOR THE FINANCIAL YEAR		2,366,413	414,307
PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the parent		2,366,413	414,307
		2,366,413	414,307

The notes on pages 17 to 36 form part of these financial statements.

ADCOCK GROUP HOLDINGS LIMITED
REGISTERED NUMBER: 13016030

CONSOLIDATED BALANCE SHEET
AS AT 31 JANUARY 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Tangible assets	13	9,866,034	8,799,677
Investment property	15	764,070	708,055
		<u>10,630,104</u>	<u>9,507,732</u>
CURRENT ASSETS			
Stocks	16	771,467	2,088,119
Debtors: amounts falling due within one year	17	6,810,944	7,997,494
Current asset investments	18	-	1,062,183
Cash at bank and in hand	19	6,776,197	6,191,275
		<u>14,358,608</u>	<u>17,339,071</u>
Creditors: amounts falling due within one year	20	(4,634,941)	(7,773,012)
NET CURRENT ASSETS		<u>9,723,667</u>	<u>9,566,059</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>20,353,771</u>	<u>19,073,791</u>
PROVISIONS FOR LIABILITIES			
Deferred taxation	21	(171,025)	(57,458)
		<u>(171,025)</u>	<u>(57,458)</u>
NET ASSETS		<u>20,182,746</u>	<u>19,016,333</u>
CAPITAL AND RESERVES			
Called up share capital	22	100	100
Other reserves	23	420,203	420,203
Profit and loss account	23	19,762,443	18,596,030
		<u>20,182,746</u>	<u>19,016,333</u>

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

P J Prior

P J Prior
Director

Date: 28 June 2022

The notes on pages 17 to 36 form part of these financial statements.

ADCOCK GROUP HOLDINGS LIMITED
REGISTERED NUMBER: 13016030

COMPANY BALANCE SHEET
AS AT 31 JANUARY 2022

	Note	2022 £
FIXED ASSETS		
Tangible assets	13	7,664,360
Investments	14	100
Investment property	15	764,070
		<u>8,428,530</u>
CURRENT ASSETS		
Debtors: amounts falling due within one year	17	129,270
Cash at bank and in hand	19	4,540,915
		<u>4,670,185</u>
Creditors: amounts falling due within one year	20	(317,782)
NET CURRENT ASSETS		<u>4,352,403</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>12,780,933</u>
NET ASSETS		<u><u>12,780,933</u></u>
CAPITAL AND RESERVES		
Called up share capital	22	100
Profit and loss account	23	12,780,833
		<u>12,780,933</u>

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

P J Prior

P J Prior
Director

Date: 28 June 2022

The notes on pages 17 to 36 form part of these financial statements.

ADCOCK GROUP HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called up share capital £	Other reserves £	Profit and loss account £	Total equity £
At 1 February 2020	-	420,203	18,181,723	18,601,926
Profit for the year	-	-	414,307	414,307
Shares issued during the year	100	-	-	100
At 1 February 2021	<u>100</u>	<u>420,203</u>	<u>18,596,030</u>	<u>19,016,333</u>
Profit for the year	-	-	2,366,413	2,366,413
Dividends: Equity capital	-	-	(1,200,000)	(1,200,000)
AT 31 JANUARY 2022	<u><u>100</u></u>	<u><u>420,203</u></u>	<u><u>19,762,443</u></u>	<u><u>20,182,746</u></u>

The notes on pages 17 to 36 form part of these financial statements.

ADCOCK GROUP HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE 15 MONTH PERIOD ENDED 31 JANUARY 2022**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
Profit for the year	-	13,980,833	13,980,833
Dividends: Equity capital	-	(1,200,000)	(1,200,000)
Shares issued during the year	100	-	100
AT 31 JANUARY 2022	100	12,780,833	12,780,933

The notes on pages 17 to 36 form part of these financial statements.

ADCOCK GROUP HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2022**

	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial year	2,366,413	414,307
ADJUSTMENTS FOR:		
Depreciation of tangible assets	913,902	939,299
Profit on disposal of tangible assets	(97,804)	(50,003)
Government grants	(34,070)	(931,471)
Interest received	(10,683)	(44,868)
Taxation charge	429,270	(517,740)
Decrease/(increase) in stocks	1,316,652	(95,815)
Decrease in debtors	876,710	80,309
(Decrease)/increase in creditors	(3,313,897)	2,874,631
Corporation tax received/(paid)	169,963	(84,694)
NET CASH GENERATED FROM OPERATING ACTIVITIES	2,616,456	2,583,955
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(2,052,116)	(299,915)
Sale of tangible fixed assets	169,661	145,342
Purchase of investment properties	(56,015)	-
Government grants received	34,070	915,924
Interest received	10,683	44,868
Movements in short term cash deposits	1,062,183	980,932
NET CASH FROM INVESTING ACTIVITIES	(831,534)	1,787,151
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,200,000)	(1,180,000)
NET CASH USED IN FINANCING ACTIVITIES	(1,200,000)	(1,180,000)
INCREASE IN CASH AND CASH EQUIVALENTS	584,922	3,191,106
Cash and cash equivalents at beginning of year	6,191,275	3,000,169
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	6,776,197	6,191,275
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	6,776,197	6,191,275
	6,776,197	6,191,275

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

1. GENERAL INFORMATION

Adcock Group Holdings Limited is a private Company limited by shares and registered in England and Wales. Its registered head office is located at Units K & L South Cambridge Business Park, Babraham Road, Sawston, Cambridge, United Kingdom, CB22 3JH.

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 judgment 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 Profit and Loss Account 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 Balance Sheet, 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 Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 16 December 2020.

USE OF MERGER ACCOUNTING

Adcock Group Holdings was incorporated on 13 November 2020. The consolidated financial statements have been prepared using the merger accounting method to present the consolidated information for the group as if the current group structure had always existed. This accounting policy, being the use of merger accounting, represents a departure from the Companies Act and the accounting policy sets out various criteria which need to be met in order to apply merger accounting including that; the fair value of any consideration other than the issue of equity shares given pursuant to the arrangement by the Parent company and its subsidiary undertakings does not exceed ten percent of the nominal value of the equity shares. The consideration was satisfied by way of the purchase of entire share capital of Adcock Refrigeration and Air Conditioning Limited for the nominal value of shares, therefore legislation would allow for use of merger accounting.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

2. ACCOUNTING POLICIES (CONTINUED)**2.3 GOING CONCERN**

The directors have considered the financial position of the Group and believe it is well placed to manage its business risks successfully. The directors have considered the impact of the current turbulent socio-economic environment and completed a detailed forecast based on different scenarios. At the date of signature of these financial statements, they have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future. Thus they continue to adopt the going concern basis of preparation for these financial statements.

2.4 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue on long term contracts is recognised according to the stage reached in the contract by reference to the stage of completion of the contract at the end of the reporting period.

At the end of each reporting period management make an assessment of the value of work carried out to date. Attributable profit is recognised as the difference between recorded turnover and related costs. The amount by which turnover exceeds payments on account is shown under debtors as amounts recoverable on contracts.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.5 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Profit and Loss Account in the same period as the related expenditure.

2.6 INTEREST INCOME

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

2.7 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.

2.8 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 Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.9 CURRENT AND DEFERRED TAXATION

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet 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 balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.10 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.

2.11 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.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

2. ACCOUNTING POLICIES (CONTINUED)**2.11 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 both the straight-line method and reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	2% on cost (excluding land which is not depreciated)
Long-term leasehold property	-	2% on cost (excluding land which is not depreciated)
Plant and machinery	-	15% on reducing balance
Motor vehicles	-	20% on cost
Office equipment	-	20% on cost
Computer equipment	-	20% on cost
Improvement to property	-	20% on reducing balance

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.

2.12 INVESTMENT PROPERTY

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.13 STOCKS

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

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

2.14 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.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.15 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.

2.16 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.

2.17 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 balance sheet 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 Balance Sheet.

2.18 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.

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 Profit and Loss Account.

2.19 DIVIDENDS

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

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

**3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Amounts recoverable under contracts:

The Group undertakes a number of long term contracts, the majority of which are undertaken on a fixed price basis. At the end of the reporting period management make an assessment of the value of the work carried out to date, attributable profit is recognised in accordance with costs incurred.

Investment property valuation:

Following management's instruction, in 2022 the property held for investment by the Group was informally appraised by the Directors. The valuation provided was in line with the valuation in the financial statements at 1 February 2021. Management accepted the valuation reported and, in accordance with the accounting policy, held the property at fair value.

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Installation	30,356,320	27,267,508
Service	8,904,844	7,432,721
Maintenance	5,052,131	4,279,703
Third party rents	15,502	-
	<u>44,328,797</u>	<u>38,979,932</u>

All turnover arose within the United Kingdom.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

5. OTHER OPERATING INCOME

	2022 £	2021 £
Other operating income	10,207	9,583
Government grants receivable	34,070	931,471
	<u>44,277</u>	<u>941,054</u>

Government grants represent amounts receivable under the Coronavirus Job Retention Scheme (CJRS) of £34,070 (2021 - £931,471) to cover salaries of furloughed staff.

6. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>39,030</u>	<u>21,500</u>

7. EMPLOYEES

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	10,555,098	9,973,569	337,585	-
Social security costs	1,167,688	1,350,212	30,778	-
Cost of defined contribution scheme	738,755	802,667	-	-
	<u>12,461,541</u>	<u>12,126,448</u>	<u>368,363</u>	<u>-</u>

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

	Group 2022 No.	Group 2021 No.	Company 2022 No.	Company 2021 No.
Management	11	10	1	-
Technical	209	214	-	-
	<u>220</u>	<u>224</u>	<u>1</u>	<u>0</u>

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

8. DIRECTORS' REMUNERATION

	2022 £	2021 £
Directors' emoluments	539,831	1,064,442
Group contributions to defined contribution pension schemes	30,269	32,841
	<u>570,100</u>	<u>1,097,283</u>

During the year retirement benefits were accruing to 2 directors (2021 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £531,156 (2021 - £1,058,052).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,769 (2021 - £5,667).

The value of the Group's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £4,769 (2021 - £5,667).

9. INTEREST RECEIVABLE

	2022 £	2021 £
Other interest receivable	<u>10,683</u>	<u>44,868</u>

10. TAXATION

	2022 £	2021 £
CORPORATION TAX		
Current tax on profits for the year	308,999	-
Adjustments in respect of previous periods	6,704	(277,998)
TOTAL CURRENT TAX	<u>315,703</u>	<u>(277,998)</u>
DEFERRED TAX		
Origination and reversal of timing differences	113,567	(239,742)
TOTAL DEFERRED TAX	<u>113,567</u>	<u>(239,742)</u>
TAXATION ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	<u>429,270</u>	<u>(517,740)</u>

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

10. TAXATION (CONTINUED)**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

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

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	<u>2,795,683</u>	<u>(98,650)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	531,180	(18,744)
EFFECTS OF:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,115	17,556
Fixed asset differences - depreciation on non qualifying assets	11,956	(164,285)
Adjustments to tax charge in respect of prior periods	6,704	(277,998)
Adjustments to tax charge in respect of prior periods - deferred tax	-	7,858
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(144,964)	(129,297)
Other tax adjustments, reliefs and transfers	(14,929)	-
Movement in deferred tax not recognised	(6,367)	-
Remeasurement of deferred tax for changes in tax rates	42,575	-
Unrelieved tax losses carried forward	-	47,170
TOTAL TAX CHARGE FOR THE YEAR	<u><u>429,270</u></u>	<u><u>(517,740)</u></u>

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The closing deferred tax liabilities have been measured at the rate of 25% (2021 - 19%) in accordance with the rates enacted at the balance sheet date. In the UK Budget Statement on 3 March 2021, the Chancellor announced the intention for corporation tax to rise to a headline rate of 25% from 1 April 2023, which was subsequently enacted into law when the Finance Act 2021 was given Royal Assent on 10 June 2021.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

11. DIVIDENDS

	2022 £	2021 £
Ordinary dividends paid	1,200,000	-

12. EXCEPTIONAL ITEMS

	2022 £	2021 £
Exceptional payment to Directors	-	2,219,100
	-	2,219,100

On 16 December 2020 there was a corporate restructure. Adcock Refrigeration and Air Conditioning Limited, the Subsidiary, transferred its freehold and investment property to a new company Adcock Group Holdings Limited in exchange for shares. As part of this transaction, the Subsidiary made an exceptional payment to directors of £2,219,100.

ADCOCK GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

13. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Computer equipment £	Property imp'ments £	Total £
COST OR VALUATION								
At 1 February 2021	6,867,492	823,205	26,280	4,027,913	119,123	788,557	991,935	13,644,505
Additions	874,577	-	1,560	971,710	-	48,602	155,667	2,052,116
Disposals	-	-	-	(450,967)	(78,774)	(317,066)	-	(846,807)
At 31 January 2022	7,742,069	823,205	27,840	4,548,656	40,349	520,093	1,147,602	14,849,814
DEPRECIATION								
At 1 February 2021	655,105	154,545	16,489	2,371,765	118,611	727,930	800,383	4,844,828
Charge for the year on owned assets	126,254	13,598	1,488	711,277	512	24,996	35,777	913,902
Disposals	-	-	-	(379,110)	(78,774)	(317,066)	-	(774,950)
At 31 January 2022	781,359	168,143	17,977	2,703,932	40,349	435,860	836,160	4,983,780
NET BOOK VALUE								
At 31 January 2022	6,960,710	655,062	9,863	1,844,724	-	84,233	311,442	9,866,034
At 31 January 2021	6,212,387	668,660	9,791	1,656,148	512	60,627	191,552	8,799,677

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

TANGIBLE FIXED ASSETS (CONTINUED)**Company**

	Freehold property £	Long-term leasehold property £	Motor vehicles £	Total £
COST OR VALUATION				
Additions	874,577	-	53,125	927,702
Transfers intra group	6,223,126	669,688	-	6,892,814
At 31 January 2022	<u>7,097,703</u>	<u>669,688</u>	<u>53,125</u>	<u>7,820,516</u>
DEPRECIATION				
Charge for the year on owned assets	136,993	14,626	4,537	156,156
At 31 January 2022	<u>136,993</u>	<u>14,626</u>	<u>4,537</u>	<u>156,156</u>
NET BOOK VALUE				
At 31 January 2022	<u><u>6,960,710</u></u>	<u><u>655,062</u></u>	<u><u>48,588</u></u>	<u><u>7,664,360</u></u>

ADCOCK GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

14. FIXED ASSET INVESTMENTS

Company

	Investments in subsidiary companies £
COST	
Additions	100
At 31 January 2022	100

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

15. INVESTMENT PROPERTY**Group**

	Freehold investment property £
VALUATION	
At 1 February 2021	708,055
Additions at cost	56,015
AT 31 JANUARY 2022	764,070

The 2022 valuations were made by the Directors, on an open market value for existing use basis.

Company

	Freehold investment property £
VALUATION	
Additions at cost	56,015
Transfers intra group	708,055
AT 31 JANUARY 2022	764,070

The 2022 valuations were made by the Directors, on an open market value for existing use basis.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

16. STOCKS

	Group 2022 £	Group 2021 £
Work in progress (goods to be sold)	588,009	1,907,533
Finished goods and goods for resale	183,458	180,586
	<u>771,467</u>	<u>2,088,119</u>

Stock recognised in cost of sales during the year as an expense was £25,101,405 (2021: £22,134,091)

Included with the above is a stock provision for £19,424 (2021: £20,066).

17. DEBTORS

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	5,634,951	5,415,223	-	-
Other debtors	129,830	1,380,787	129,270	-
Prepayments and accrued income	327,594	247,728	-	-
Amounts recoverable on long-term contracts	718,569	953,756	-	-
	<u>6,810,944</u>	<u>7,997,494</u>	<u>129,270</u>	<u>-</u>

18. CURRENT ASSET INVESTMENTS

	Group 2022 £	Group 2021 £
Unlisted investments (liquid)	<u>-</u>	<u>1,062,183</u>

19. CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>6,776,197</u>	<u>6,191,275</u>	<u>4,540,915</u>	<u>-</u>

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Payments received on account	601,723	1,408,447	-	-
Trade creditors	1,410,265	2,289,077	-	-
Amounts owed to group undertakings	-	-	127,691	-
Corporation tax	175,826	-	-	-
Other taxation and social security	1,040,430	2,732,616	-	-
Other creditors	1,406,697	1,342,872	190,091	-
	<u>4,634,941</u>	<u>7,773,012</u>	<u>317,782</u>	<u>-</u>

21. DEFERRED TAXATION**Group**

	2022 £
At beginning of year	(57,458)
Charged to profit or loss	(113,567)
AT END OF YEAR	<u>(171,025)</u>

	Group 2022 £	Group 2021 £
Accelerated capital allowances	(192,590)	(57,458)
Short term timing differences	21,565	-
	<u>(171,025)</u>	<u>(57,458)</u>

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

22. SHARE CAPITAL

	2022 £	2021 £
ALLOTTED, CALLED UP AND FULLY PAID		
50 (2021 - 50) Ordinary shares of £1.00 each	50	50
50 (2021 - 50) Restricted shares of £1.00 each	50	50
	<u>100</u>	<u>100</u>

23. RESERVES**Other reserves**

Represents the nominal value of shares repurchased and cancelled by the Group.

Profit and loss account

Includes all current and prior period retained profit and losses.

24. ANALYSIS OF NET DEBT

	At 1 February 2021 £	Cash flows £	At 31 January 2022 £
Cash at bank and in hand	6,191,275	584,922	6,776,197
Debt due within 1 year	-	(90,000)	(90,000)
	<u>6,191,275</u>	<u>494,922</u>	<u>6,686,197</u>

25. 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 £738,755 (2021: £802,667). Contributions totalling £76,268 (2021: £152,756) were payable to the fund at the reporting date and are included in creditors.

ADCOCK GROUP HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022**

26. COMMITMENTS UNDER OPERATING LEASES

At 31 January 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Not later than 1 year	20,486	124,250
Later than 1 year and not later than 5 years	-	131,799
	<u>20,486</u>	<u>256,049</u>

27. RELATED PARTY TRANSACTIONS

During the year, the Group had the following related party transactions:

Directors of the Group

£14,334 of purchases in relation to the provision of project management services (by Adcock Refrigeration and Air Conditioning Limited) for Mrs S J Prior and Mr P J Prior, both directors of the Group (2021: £52,499). At the year end the Group was owed £NIL (2021: £NIL).

During the year the Company declared dividends totalling £1,200,000 to Mr J R Adcock, Mrs B I Adcock and Mrs S J Prior, who are also shareholders of the Company. A balance of £90,000 is owed at 31 January 2022 which represents Mrs B Adcock's entitlement following her death on 19 October 2021.

Key Management

Key management personnel are considered to be the members of the Subsidiary's Executive Team and Directors of Adcock Group Holdings Limited. The total remuneration (including salaries, social security and other benefits) of key management personnel in the year was £2,243,920 (2021 : £3,619,181).

Adcock Refrigeration and Air Conditioning Limited

Dividends of £5,475,000 was declared and received in the year ended 31 January 2022. In the year ended 31 January 2021, a dividend of £8,586,235 was declared, of which £7,586,235 was a dividend in specie (being the transfer of all freehold property and investment property at net book value) and £1,000,000 was in cash.

During the year, the Subsidiary made purchases of £115,497 (2021 : £7,650) on behalf on Adcock Group Holdings Limited. The Subsidiary made purchases of £480,000 (2021 - £NIL) in relation to rental of property. A balance of £127,691 was owed to the Subsidiary at 31 January 2022 (2021: £78,097).

28. CONTROLLING PARTY

The ultimate controlling party is Mr J R Adcock.

ADCOCK GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2022

29. SUBSIDIARY UNDERTAKING

SUBSIDIARY UNDERTAKING

The following was a subsidiary undertaking of the Company:

Name	Class of shares	Holding
Adcock Refrigeration and Air Conditioning Limited	Ordinary & Restricted	100%

Its registered head office is located at Units K & L South Cambridge Business Park, Babraham Road, Sawston, Cambridge, United Kingdom, CB22 3JH.