

ADMAN GROUP LIMITED
GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

McAleer Jackson Ltd
Chartered Accountants & Statutory Auditors
Church House
24 Dublin Road
OMAGH
Co. Tyrone
BT78 1HE

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Consolidated Statement of Comprehensive Income	10
Consolidated Balance Sheet	11
Company Balance Sheet	12
Consolidated Statement of Changes in Equity	13
Company Statement of Changes in Equity	14
Consolidated Cash Flow Statement	15
Notes to the Consolidated Cash Flow Statement	16
Notes to the Consolidated Financial Statements	17

ADMAN GROUP LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 MAY 2023

DIRECTORS:

Adrian McCrory
Martin Grimes

REGISTERED OFFICE:

4 Bankmore Way East
Doogary
OMAGH
Co. Tyrone
BT79 0NZ

REGISTERED NUMBER:

NI644789 (Northern Ireland)

AUDITORS:

McAleer Jackson Ltd
Chartered Accountants & Statutory Auditors
Church House
24 Dublin Road
OMAGH
Co. Tyrone
BT78 1HE

BANKERS:

Ulster Bank Limited
14 High Street
Omagh
Co. Tyrone
BT78 1BJ

SOLICITORS:

Logan & Corry
Church House
24 Dublin Road
OMAGH
Co. Tyrone
BT78 1HE

Tughans
Marlborough House
30 Victoria Street
BELFAST
Co. Antrim
BT1 3GG

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023

The directors present their strategic report of the company and the group for the year ended 31 May 2023.

REVIEW OF BUSINESS

The company acts as a holding company for Adman Civil Projects Limited and Adman Services Limited.

The directors consider the results during the year to be satisfactory given the conditions within the construction sector and the challenging economic climate at present. The results for the year are set out in the Statement of Comprehensive Income, showing an increase in turnover and profitability. The year end financial position is set out on the Balance Sheet and is considered satisfactory.

The directors view the outlook for the group with confidence.

PRINCIPAL RISKS AND UNCERTAINTIES

Performance in the sector is affected by general economic conditions. The directors carry out regular strategic reviews including assessments of competitor activity, market trends and customer activity. The security of product supply is not considered to be a risk. The group's management actively reviews the market and tender lists that are available and maximises opportunities. The group's management are confident it can maintain its market share.

KEY PERFORMANCE INDICATORS (KPIs)

Given the nature of the business, the group's directors view the principal KPI's of the business to be growth in turnover and operating profit

The directors are satisfied with the results for the year ended 31 May 2023 after taking into account the market conditions in which they operate. Turnover has increased by 91% in the year while the gross operating profit has increased by 286%.

The group's main objective is to maintain their market position.

The directors have been trading successfully and have the necessary experience and expertise to deal with any changes in the industry including the impact of Brexit, Covid and price commodity increases. The group has not made any changes to its operations in the year ended 31 May 2023.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MAY 2023

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group uses various financial instruments including cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks. The main risks arising from the group's financial instruments are below:-

Commodity price risk:

The group uses materials which are exposed to commodity price risk. The directors take measures to protect against short term fluctuations in price, including measures to pass any fluctuations on to customers.

Credit risk:

The group's principal credit risk is in respect of customer credit arrangements which are managed through strict credit control arrangements and procedures.

Liquidity risk:

The group finances its working capital and investments with its own cash reserves and retains adequate balances to mitigate short and medium term liquidity risk.

Currency risk:

The group actively trades in both sterling and euro. Where possible euro cash inflows and outflows are matched. The directors take an active role in managing that the currency exposure remains within acceptable levels.

The directors review and agree policies for managing each of the above risks.

ON BEHALF OF THE BOARD:

Martin Grimes - Director

28 February 2024

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2023

The directors present their report with the financial statements of the company and the group for the year ended 31 May 2023.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of building and civil engineering.

DIVIDENDS

No dividends will be distributed for the year ended 31 May 2023.

FUTURE DEVELOPMENTS

The group continues to be a dynamic, innovative group with a proven reputation for delivering high-quality, value-driven solutions across a diverse range of sectors. With this approach the group plans to continue with its controlled growth.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 June 2022 to the date of this report.

Adrian McCrory
Martin Grimes

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MAY 2023

AUDITORS

The auditors, McAleer Jackson Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Martin Grimes - Director

28 February 2024

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADMAN GROUP LIMITED

Opinion

We have audited the financial statements of Adman Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2023 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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 parent company affairs as at 31 May 2023 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADMAN GROUP LIMITED

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 Report of the Directors.

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

- adequate accounting records have not been kept 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 four, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF **ADMAN GROUP LIMITED**

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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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. We design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the group's remuneration policies, and performance targets;
- results of our enquiries of management and other key persons about the group's own identification and assessment of the risks of irregularities, including those that may occur either as a result of fraud or error, and matters we identified from our review of the group's policies, procedures and internal controls; and
- the matters discussed among the audit engagement team regarding potential indicators of fraud and where it might occur in the financial statements.

We also obtained an understanding of the legal and regulatory framework that the group operates in, focusing on provisions of those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, pensions and tax legislation, together with provisions of other laws and regulations that do not have a direct effect on the financial statements, but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

From the above procedures, and in common with all audits under ISAs (UK), we identified the disclosure of adjusting items as a key audit matter with respect to the potential risk of fraud, particularly in areas where management is required to exercise significant judgement.

We tailored our response to those identified risks to include enquiring of management and external legal advisors concerning actual and potential litigation and claims, performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud, and reviewing correspondence with HMRC and other regulatory bodies.

In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias, and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ADMAN GROUP LIMITED

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 a Report of the Auditors 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.

Arnold Jackson (Senior Statutory Auditor)
for and on behalf of McAleer Jackson Ltd
Chartered Accountants & Statutory Auditors
Church House
24 Dublin Road
OMAGH
Co. Tyrone
BT78 1HE

28 February 2024

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)

CONSOLIDATED
STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 31 MAY 2023

		2023	2022
	Notes	£	as restated £
TURNOVER		64,611,058	33,858,065
Cost of sales		<u>56,380,940</u>	<u>30,174,089</u>
GROSS PROFIT		8,230,118	3,683,976
Administrative expenses		<u>2,222,652</u>	<u>2,129,563</u>
OPERATING PROFIT	5	6,007,466	1,554,413
Interest payable and similar expenses	6	<u>986</u>	<u>743</u>
PROFIT BEFORE TAXATION		6,006,480	1,553,670
Tax on profit	7	<u>908,807</u>	<u>294,080</u>
PROFIT FOR THE FINANCIAL YEAR		5,097,673	1,259,590
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>5,097,673</u>	<u>1,259,590</u>
FOR THE YEAR			
Profit attributable to:			
Owners of the parent		<u>5,097,673</u>	<u>1,259,590</u>
Total comprehensive income attributable to:			
Owners of the parent		<u>5,097,673</u>	<u>1,259,590</u>

The notes form part of these financial statements

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)**CONSOLIDATED BALANCE SHEET****31 MAY 2023**

		2023		2022 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	10		461,935		389,918
Investments	11		-		-
			<u>461,935</u>		<u>389,918</u>
CURRENT ASSETS					
Stocks	12	59,510		-	
Debtors	13	18,197,454		8,320,978	
Cash at bank and in hand		<u>11,584,405</u>		<u>5,032,699</u>	
		29,841,369		13,353,677	
CREDITORS					
Amounts falling due within one year	14	<u>18,368,135</u>		<u>6,838,037</u>	
NET CURRENT ASSETS			<u>11,473,234</u>		<u>6,515,640</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			11,935,169		6,905,558
CREDITORS					
Amounts falling due after more than one year	15		(224,994)		(310,944)
PROVISIONS FOR LIABILITIES	19		<u>(113,883)</u>		<u>(95,995)</u>
NET ASSETS			<u>11,596,292</u>		<u>6,498,619</u>
CAPITAL AND RESERVES					
Called up share capital	20		300		300
Other reserves	21		100		100
Retained earnings	21		<u>11,595,892</u>		<u>6,498,219</u>
SHAREHOLDERS' FUNDS			<u>11,596,292</u>		<u>6,498,619</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 February 2024 and were signed on its behalf by:

Adrian McCrory - Director

Martin Grimes - Director

The notes form part of these financial statements

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)

COMPANY BALANCE SHEET
31 MAY 2023

		2023	2022
	Notes	£	as restated £
FIXED ASSETS			
Tangible assets	10	-	-
Investments	11	<u>300</u>	<u>300</u>
		<u>300</u>	<u>300</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>300</u>	<u>300</u>
CAPITAL AND RESERVES			
Called up share capital	20	<u>300</u>	<u>300</u>
SHAREHOLDERS' FUNDS		<u>300</u>	<u>300</u>
Company's profit for the financial year		<u>-</u>	<u>-</u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 28 February 2024 and were signed on its behalf by:

Adrian McCrory - Director

Martin Grimes - Director

The notes form part of these financial statements

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023

	Called up share capital £	Retained earnings £	Other reserves £	Total equity £
Balance at 1 June 2021	300	5,238,629	100	5,239,029
Changes in equity				
Total comprehensive income	-	1,259,590	-	1,259,590
Balance at 31 May 2022	300	6,498,219	100	6,498,619
Changes in equity				
Total comprehensive income	-	5,097,673	-	5,097,673
Balance at 31 May 2023	300	11,595,892	100	11,596,292

The notes form part of these financial statements

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 June 2021	300	-	300
Changes in equity			
Balance at 31 May 2022	300	-	300
Changes in equity			
Balance at 31 May 2023	300	-	300

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2023**

		2023	2022 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	7,179,649	1,613,128
Interest paid		(986)	(743)
Interest element of hire purchase payments paid		(5,979)	(1,993)
Tax paid		(347,527)	(157,438)
Net cash from operating activities		<u>6,825,157</u>	<u>1,452,954</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(187,501)</u>	<u>(423,824)</u>
Net cash from investing activities		<u>(187,501)</u>	<u>(423,824)</u>
Cash flows from financing activities			
Loan repayments in year		(9,662)	(8,131)
New finance in year		-	381,442
Capital repayments in year		<u>(76,288)</u>	<u>(25,429)</u>
Net cash from financing activities		<u>(85,950)</u>	<u>347,882</u>
Increase in cash and cash equivalents		<u>6,551,706</u>	<u>1,377,012</u>
Cash and cash equivalents at beginning of year	2	5,032,699	3,655,687
Cash and cash equivalents at end of year	2	<u>11,584,405</u>	<u>5,032,699</u>

The notes form part of these financial statements

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MAY 2023**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022 as restated
	£	£
Profit before taxation	6,006,480	1,553,670
Depreciation charges	115,484	33,906
Hire purchase interest	5,979	1,993
Finance costs	986	743
	6,128,929	1,590,312
Increase in stocks	(59,510)	-
Increase in trade and other debtors	(9,876,476)	(3,575,742)
Increase in trade and other creditors	10,986,706	3,598,558
Cash generated from operations	7,179,649	1,613,128

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 May 2023

	31.5.23	1.6.22
	£	£
Cash and cash equivalents	11,584,405	5,032,699

Year ended 31 May 2022

	31.5.22	1.6.21
	as restated	
	£	£
Cash and cash equivalents	5,032,699	3,655,687

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.22	Cash flow	At 31.5.23
	£	£	£
Net cash			
Cash at bank and in hand	5,032,699	6,551,706	11,584,405
	5,032,699	6,551,706	11,584,405
Debt			
Finance leases	(356,012)	76,288	(279,724)
Debts falling due within 1 year	(10,648)	-	(10,648)
Debts falling due after 1 year	(31,220)	9,662	(21,558)
	(397,880)	85,950	(311,930)
Total	4,634,819	6,637,656	11,272,475

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

1. STATUTORY INFORMATION

Adman Group Limited is a private company, limited by shares, registered in Northern Ireland. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the group.

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 group financial statements consolidate the financial statements of Adman Group Limited and all its subsidiary undertakings drawn up to 31 May each year.

Basis of consolidation

The consolidated financial statements include the Company and its subsidiary undertakings. Intra-group sales and profits are eliminated fully on consolidation.

Significant judgements and estimates

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. The following are significant management judgements in applying the accounting policies of the group that have the most significant effect on the financial statements.

Performance of long term contracts

Recognised amounts of contract revenues and related receivables reflect the directors' best estimates of contracts outcome and stage of completion. This includes the assessment of the profitability of the contracts. The group draws on the expertise of qualified personnel to undertake such estimates and to apply appropriate levels of scrutiny to ensure the required level of accuracy and governance over this class of asset, in order to limit concern over the recoverability of these balances. Costs to complete and contract profitability are subject to significant estimation uncertainty.

Turnover

Turnover is the amount derived from the provision of goods and services falling within the group's ordinary activities after deduction of value added tax. In the case of long term contracts, turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value together with attributable profit. Profit is recognised on long term contracts, if the final outcome can be assessed with reasonable certainty, by including in the Consolidated Statement of Comprehensive Income turnover and related costs as contract activity progresses. Turnover also represents the value of services performed in operating service contracts carried out during the year, exclusive of value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant & machinery - 20% on reducing balance

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provisions for impairment.

Investment in subsidiaries

Investments in subsidiary undertakings are measured at cost less impairment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Amounts recoverable on contracts

The amount by which turnover exceeds payments on account on contracts is shown under debtors as amounts recoverable on contracts. Where payments on account exceed turnover, the excess is classified as deferred income within creditors. When it is probable that contract costs will exceed the total contract turnover, the expected loss is recognised as an expense immediately, with a corresponding provision.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transitional price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

2. **ACCOUNTING POLICIES - continued**

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit and loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3. **EMPLOYEES AND DIRECTORS**

	2023	2022
Wages and salaries	5,612,898	4,495,212
Other pension costs	80,000	-
	<u>5,692,898</u>	<u>4,495,212</u>

The average number of employees during the year was as follows:

	2023	2022
Site	98	82
Administration	30	31
	<u>128</u>	<u>113</u>

4. **DIRECTORS' EMOLUMENTS**

	2023	2022
	£	£
Directors' remuneration	19,920	19,320
Directors' pension contributions	80,000	-
	<u>99,920</u>	<u>19,320</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

5. OPERATING PROFIT

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

	2023	2022 as restated
	£	£
Other operating leases	78,397	88,659
Depreciation - owned assets	37,500	-
Depreciation - assets on hire purchase contracts	77,984	33,906
Auditors remuneration - audit services	14,500	6,380
Job Retention Scheme grants	<u>-</u>	<u>(13,941)</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022 as restated
	£	£
Loan interest	<u>986</u>	<u>743</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022 as restated
	£	£
Current tax:		
UK corporation tax	425,434	149,813
Foreign corporation tax	465,485	47,561
Total current tax	<u>890,919</u>	<u>197,374</u>
Deferred tax	<u>17,888</u>	<u>96,706</u>
Tax on profit	<u>908,807</u>	<u>294,080</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023**7. TAXATION - continued****Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022 as restated
	£	£
Profit before tax	<u>6,006,480</u>	<u>1,553,670</u>
Profit multiplied by the standard rate of corporation tax in the UK of 20.003 % (2022 - 19 %)	1,201,476	295,197
Effects of:		
Deferred tax at future rate	3,578	23,041
Enhanced capital allowances	(9,370)	(24,158)
Foreign tax paid at lower rate	(286,727)	-
UK tax paid at 19%	(150)	-
Total tax charge	<u>908,807</u>	<u>294,080</u>

8. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

9. PRIOR YEAR ADJUSTMENT

The prior period adjustment relates to a change in accounting policy regarding the classification of amounts recoverable on contracts. Previously, such amounts were classified under stocks as work in progress (if the value of work performed to date was in excess of that invoiced) or deferred income (if the value of work performed to date was less than that invoiced) and accounted for in the Consolidated Statement of Comprehensive Income in cost of sales. Now, turnover is calculated by reference to the value of work performed to date and the amount by which turnover exceeds payments on account on contracts is shown under debtors as amounts recoverable on contracts. Where payments on account exceed turnover, the excess is classified as deferred income within creditors.

Comparative figures for the year ended 31 May 2022 have been restated. This has resulted in the following adjustments:

	YE 2023	YE 2022
Increase/(decrease) in Turnover	(1,019,435)	1,896,994
Increase/(decrease) in Cost of Sales	(1,019,435)	1,896,994
Increase/(decrease) in Stocks	(6,348,588)	(4,700,521)
Increase/(decrease) in Debtors	6,348,588	4,700,521

The adjustments have no effect on reserves, profit before tax or the tax charge.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

10. TANGIBLE FIXED ASSETS

Group

	Plant & machinery £
COST	
At 1 June 2022	423,824
Additions	<u>187,501</u>
At 31 May 2023	<u>611,325</u>
DEPRECIATION	
At 1 June 2022	33,906
Charge for year	<u>115,484</u>
At 31 May 2023	<u>149,390</u>
NET BOOK VALUE	
At 31 May 2023	<u>461,935</u>
At 31 May 2022	<u>389,918</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant & machinery £
COST	
At 1 June 2022 and 31 May 2023	<u>423,824</u>
DEPRECIATION	
At 1 June 2022	33,906
Charge for year	<u>77,984</u>
At 31 May 2023	<u>111,890</u>
NET BOOK VALUE	
At 31 May 2023	<u>311,934</u>
At 31 May 2022	<u>389,918</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

11. FIXED ASSET INVESTMENTS

Company

**Shares in
group
undertakings
£**

COST

At 1 June 2022
and 31 May 2023

300

NET BOOK VALUE

At 31 May 2023
At 31 May 2022

300

300

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Adman Civil Projects Limited

Registered office: 4 Bankmore Way East Omagh Co. Tyrone BT79 0NZ

Nature of business: Building and civil engineering

	%
Class of shares:	holding
Ordinary	100.00

Adman Services Limited

Registered office: 4 Bankmore Way East Omagh Co. Tyrone BT79 0NZ

Nature of business: Dormant subsidiary company

	%
Class of shares:	holding
Ordinary	100.00

12. STOCKS

Group

2023	2022
	as restated
£	£
<u>59,510</u>	<u>-</u>

Stock

ADMAN GROUP LIMITED (REGISTERED NUMBER: NI644789)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group	
	2023	2022
		as restated
	£	£
Trade debtors	11,094,967	3,367,224
Amounts recoverable on contracts	6,348,588	4,700,521
Sundry debtors	753,899	253,233
	<u>18,197,454</u>	<u>8,320,978</u>

14. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group	
	2023	2022
		as restated
	£	£
Bank loans and overdrafts (see note 16)	10,648	10,648
Hire purchase contracts (see note 17)	76,288	76,288
Trade creditors	8,028,464	3,322,998
Corporation tax	740,766	197,374
Social security and other taxes	1,160,815	595,096
Sundry creditors	39,487	31,943
Accruals and deferred income	8,311,667	2,603,690
	<u>18,368,135</u>	<u>6,838,037</u>

15. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group	
	2023	2022
		as restated
	£	£
Bank loans (see note 16)	21,558	31,220
Hire purchase contracts (see note 17)	203,436	279,724
	<u>224,994</u>	<u>310,944</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

16. **LOANS**

An analysis of the maturity of loans is given below:

	Group
	2023
	2022
	as restated
	£
Amounts falling due within one year or on demand:	
Bank loans	<u>10,648</u>
Amounts falling due between one and two years:	
Bank loans - 1-2 years	<u>10,648</u>
Amounts falling due between two and five years:	
Bank loans - 2-5 years	<u>20,572</u>

Interest is charged on Bank loans at a fixed rate of 2.5%. Capital and interest is payable monthly at a fixed rate.

17. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group	Hire purchase contracts
	2023
	2022
	as restated
	£
Net obligations repayable:	
Within one year	76,288
Between one and five years	<u>279,724</u>
	<u>356,012</u>

18. **SECURED DEBTS**

Any bank borrowings that may arise on the group are secured by way of:-

- A fixed and floating charge over the group's assets and;
- A government guarantee

19. **PROVISIONS FOR LIABILITIES**

	Group	
	2023	2022
		as restated
	£	£
Deferred tax	113,883	95,995

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

19. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 June 2022	95,995
Charge to Statement of Comprehensive Income during year	17,888
Balance at 31 May 2023	<u>113,883</u>

20. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	2023	2022 as restated
			£	£
300	Share capital 1	£1	<u>300</u>	<u>300</u>

21. RESERVES

Group

	Retained earnings £	Other reserves £	Totals £
At 1 June 2022	6,498,219	100	6,498,319
Profit for the year	5,097,673		5,097,673
At 31 May 2023	<u>11,595,892</u>	<u>100</u>	<u>11,595,992</u>

22. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

FRS 12 Section 33.6 requires the group to disclose remuneration of all key personnel. Total remuneration to key personnel during the year totalled £99,920 (2022: £19,320)

Entities with control, joint control or significant influence over the entity

	2023	2022 as restated
	£	£
Amount due to related party	<u>678,539</u>	<u>795,077</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MAY 2023

22. RELATED PARTY DISCLOSURES - continued

Adman Plant Services Ltd

Mr Adrian McCrory & Mr Martin Grimes are the sole directors & shareholders of Adman Plant Services Ltd.

Adman Civil Projects Ltd (a subsidiary of Adman Group Limited) has provided a cross company guarantee for the benefit of Adman Plant Services Ltd in relation to hire purchase liabilities owed by Adman Plant Services Ltd. The directors of Adman Civil Projects Ltd do not expect any liability to arise on Adman Civil Projects Ltd in respect of this matter as:

- The market value of the assets concerned is in excess of the hire purchase liabilities owing;
- Adman Plant Services Ltd has other unencumbered assets which would meet any unexpected shortfall;
- In addition, the assets in question are fully insured.

As at 31 May 2023, Adman Civil Projects Ltd owed £678,539 (2022: £795,077) to the related party. This amount has been included within trade creditors.

23. ULTIMATE CONTROLLING PARTY

The company directors and sole shareholders, Adrian McCrory and Martin Grimes, act in unison as the ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.