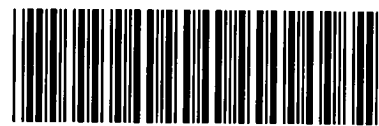


Registered number: 06526121

A C PLC

**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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A C PLC

COMPANY INFORMATION

Directors

Andrew C Laing
Angela E Douty
Stuart D Carss
Mark Thompson

Company secretary

Angela Elizabeth Douty
Mark Thompson

Registered number

06526121

Registered office

Beancroft Farm
Beancroft Road
Marston Moretaine
Bedfordshire
MK43 0QE

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants & Statutory Auditors
2 London Wall Place
London
EC2Y 5AU

A C PLC

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A C PLC

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Business review

The Group's primary activity during the year was the internal and external works to Data Centres across Europe. This included the manufacturing and installation of cladding, roofing, curtain walling, louvres and doors.

The Group's offsite manufacturing facilities enables materials to be delivered to site in an almost ready to install stage, which not only reduces the time materials remain idle on site, but also reduces the health & safety risk and no doubt gives the Group a competitive advantage in this area.

The focus on the Data Centre market has further strengthened the Group's knowledge and skill set and will allow it to expand and develop its offering in this area by attracting new clients, whilst still maintaining excellent relationships with existing ones.

The safety of our staff, the supply chain and those working alongside us will always be a key priority to the business and this will continue to be promoted through the Group's 'Safety By Nature Not By Choice' initiative.

Principal risks and uncertainties

The business, like others in the industry has had to navigate through a number of unprecedented challenges throughout the year. The global pandemic and Brexit not only resulted in changes in the way the business operates but also cost inflation across the supply chain became a constant commercial challenge.

The war in Ukraine then led to further costs increases across the industry, as a result of material shortages and energy price increases.

Given the challenges faced by the business, the Directors are satisfied with the financial results for the year as these are fair reflection to what has been a fairly turbulent time for the industry.

The business is now in a position to continue its pre-pandemic strategy of achieving growth whilst controlling costs resulting in increased profitability.

A C PLC

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

Financial key performance indicators

Growth & Profitability

The Directors closely monitor a range of KPI's. Those related to growth and profitability include revenue which increased by £20.7m (73%) to £49.1m and gross profit which slightly increased on the previous year to £11.1m. Administrative costs which included the restructuring of the Group, together with a bad debt provision resulted in a profit before tax of just under £1m.

The unforeseen circumstances which resulted in the significant increases in supply chain costs clearly had an impact on the profitability in the year but the increase in revenue is clearly an indication that Group is on track to achieve its growth strategy of growth over the next few years.

Financial Strength

The results in the year further strengthened the Group's Balance Sheet. The Directors consider the group's financial strength when making decisions in tendering and deciding whether to take opportunities forward. A key KPI monitored by the Directors is the availability of highly liquid assets and the group's net assets available.

Sustainability

The Group Directors focus on sustainable growth which is linked to their ESG plan. The directors recognise that the Group has a duty to protect the environment and its core long-term strategy is aligned to the achievement of this through its ESG plan.

Future development

As expected, revenue for 2021/22 did increase substantially on the previous years. The significant increase of 73% was as a result of both revenue slippage in the previous year due to Covid-19 and also the continuation of the business's growth strategy.

Revenue will continue to grow in 2022/23 and 2023/24 but at a somewhat slower more manageable rate and the expected growth is substantiated with ongoing projects and a number of key project awards, which are anticipated in the first quarter of 2023.

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

Directors' statement of compliance with duty to promote the success of the Group

The directors have the duty to promote the success of the Group for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers and the environment. The directors focus on engagement with all stakeholders and use this when taking decisions.

A further requirement set out in section 172 of the Companies Act 2006 regarding the desirability of the Company maintaining a reputation for high standards of business conduct is entirely in line with its regulatory obligations and the Directors ensure that this remains at the forefront of its dealings with customers.

The Directors of the Company must act in accordance with the duties detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

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

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

Long-term factors
The Company's strategy is to focus on core business performance while taking full advantage of opportunities in strategically important areas and product sectors. To this end, the directors have developed a long-term sustainable plan which the directors are committed to achieving.

Long-term factors

The Group's strategy is to focus on core business performance while taking full advantage of opportunities in strategically important areas and product sectors. To this end, the directors have developed a long-term sustainable plan which the directors are committed to achieving.

Employee Considerations

The policy of the directors is to encourage the involvement of all employees in the development and performance of the Group. The Group communicates its strategy and performance against its business plan through a program of employee presentations.

Other Stakeholder considerations

The directors believe that building and maintaining successful partnerships with all the Group's stakeholders is essential to the continued success of the business. The Group engages in regular dialogue with customers, suppliers and local communities in order to explain its objectives and to hear the views and concerns of the stakeholders, which are treated as an important part of the Group's decision-making process.

Environmental considerations

The directors recognise that the Group has a duty to protect the environment and its core long-term strategy is aligned to the achievement of this. We strive to minimise our environmental footprint by operating as efficiently as possible and by ensuring that no opportunities to recycle waste products and packaging are ignored.

Business Conduct

The policy of the directors is to behave responsibly and ensure that management operate the business in a responsible manner and with the highest standards of business conduct and good governance expected for a business such as ours. Policies and procedures in this regard are regularly reviewed to ensure these standards are maintained.

A C PLC

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

Act fairly for members

The Group has a single external shareholder and a single ultimate controlling party. The shareholder's interests are taken into account by the board in all decision making.

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



.....
Andrew C Laing
Director

Date: 23 December 2022

A C PLC

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The Directors present their report and the financial statements for the year ended 31 March 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 Company during the year was that of a holding company.

The principal activities of the Group include the supply and fitting of floor covering and domestic and commercial refurbishments, the construction, development and improvement of property and the erection of roof covering and frames.

Results and dividends

The profit for the year, after taxation, amounted to £1,475k (2021 - £4,081k).

No dividends were paid during the year (2021: £1m).

Directors

The Directors who served during the year were:

Andrew C Laing
Angela E Douty
Stuart D Carss
Mark Thompson
Claire V Laing (resigned 1 November 2021)
Jeremy J Kershaw (resigned 2 November 2021)

A C PLC

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

Future developments

Future developments have been included within the Strategic Report.

Disclosure of information to auditor

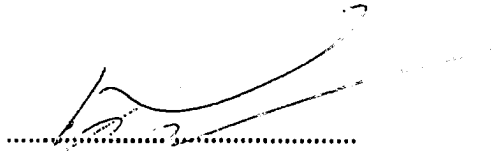
Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditor is 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 auditor is aware of that information.

Post balance sheet events

No post balance events after year end.

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



.....
Andrew C Laing
Director
Date: 23 December 2022

A C PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A C PLC

Opinion

We have audited the financial statements of A C PLC (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022, which comprise the Group Statement of Comprehensive Income, 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 March 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 Auditor's 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.

A C PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A C PLC (CONTINUED)

Other information

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

We have nothing to report in this regard.

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 5, 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.

A C PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF A C PLC (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

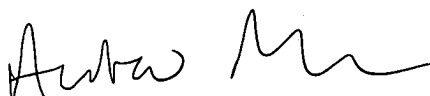
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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 Auditor's Report.

Use of our report

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



Andrew Moyser FCCA ACA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson

Statutory Auditor
London, United Kingdom

Date: 23 December 2022

A C PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

		Continuing operations	Discontin'd operations	Total	Continuing operations 11 months ended	Discontinued operations 11 months ended	Total 11 months ended
	Note	31 March 2022 £,000	31 March 2022 £,000	31 March 2022 £,000	31 March 2021 £,000	31 March 2021 £000	31 March 2021 £000
Turnover	4	49,146	-	49,146	13,842	14,590	28,432
Cost of sales		(37,924)	(97)	(38,021)	(8,789)	(9,035)	(17,824)
Gross profit		11,222	(97)	11,125	5,053	5,555	10,608
Administrative expenses		(8,288)	(284)	(8,572)	(3,534)	(2,436)	(5,970)
Exceptional other operating charges		(1,406)	-	(1,406)	-	-	-
Operating profit		1,528	(381)	1,147	1,519	3,119	4,638
Interest receivable and similar income	8	-	-	-	11	-	11
Interest payable and similar expenses	9	(201)	-	(201)	(111)	(6)	(117)
Profit before taxation		1,327	(381)	946	1,419	3,113	4,532
Tax on profit	10	68	461	529	74	(525)	(451)
Profit for the financial year		1,395	80	1,475	1,493	2,588	4,081
Profit for the year attributable to:							
Owners of the parent Company		1,475	-	1,475	4,081	-	4,081
		1,475	-	1,475	4,081	-	4,081

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 19 to 42 form part of these financial statements.

A C PLC
REGISTERED NUMBER: 06526121

**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Intangible assets	13		106		47
Tangible assets	14		1,566		1,495
			<u>1,672</u>		<u>1,542</u>
Current assets					
Stocks	16	1,782		1,016	
Debtors: amounts falling due within one year	17	39,929		29,111	
Cash at bank and in hand	18	692		4,516	
		<u>42,403</u>		<u>34,643</u>	
Creditors: amounts falling due within one year	19	(12,539)		(6,417)	
Net current assets			<u>29,864</u>		<u>28,226</u>
Total assets less current liabilities			<u>31,536</u>		<u>29,768</u>
Creditors: amounts falling due after more than one year	20		(8,500)		(8,500)
Provisions for liabilities					
Deferred taxation	24	(137)		(65)	
			<u>(137)</u>		<u>(65)</u>
Net assets			<u>22,899</u>		<u>21,203</u>
Capital and reserves					
Called up share capital	25		50		50
Revaluation reserve	26		466		-
Foreign exchange reserve	26		(72)		(92)
Merger reserve	26		1		1
Profit and loss account	26		22,454		21,244
Equity attributable to owners of the parent Company			<u>22,899</u>		<u>21,203</u>
			<u>22,899</u>		<u>21,203</u>

A C PLC
REGISTERED NUMBER: 06526121

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 December 2022



.....
Andrew C Laing
Director

The notes on pages 19 to 42 form part of these financial statements.

A C PLC
REGISTERED NUMBER: 06526121

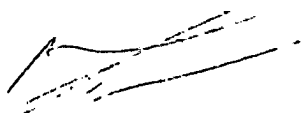
**COMPANY BALANCE SHEET
AS AT 31 MARCH 2022**

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Intangible assets	13		106		47
Tangible assets	14		810		916
			<u>916</u>		<u>963</u>
Current assets					
Debtors: amounts falling due within one year	17	13,767		12,427	
Cash at bank and in hand	18	163		2,465	
		<u>13,930</u>		<u>14,892</u>	
Creditors: amounts falling due within one year	19	(6,219)		(7,292)	
Net current assets			<u>7,711</u>		<u>7,600</u>
Total assets less current liabilities			<u>8,627</u>		<u>8,563</u>
Creditors: amounts falling due after more than one year	20		(8,500)		(8,500)
Net assets			<u>127</u>		<u>63</u>
Capital and reserves					
Called up share capital	25		50		50
Profit and loss account brought forward		13		108	
Profit for the year		64		905	
Other changes in the profit and loss account		-		(1,000)	
Profit and loss account carried forward			<u>77</u>		<u>13</u>
			<u>127</u>		<u>63</u>

A C PLC
REGISTERED NUMBER: 06526121

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

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



.....
Andrew C Laing
Director

Date: 23 December 2022

The notes on pages 19 to 42 form part of these financial statements.

A C PLC

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

	Called up share capital £000	Revaluation reserve £000	Foreign exchange reserve £000	Merger reserve £000	Profit and loss account £000	Total equity £000
At 1 May 2020	50	-	-	-	18,163	18,213
Profit for the period	-	-	-	-	4,081	4,081
Dividends paid	-	-	-	-	(1,000)	(1,000)
Retranslation of subsidiaries	-	-	(92)	-	-	(92)
Movement in merger reserve	-	-	-	1	-	1
At 1 April 2021	50	-	(92)	1	21,244	21,203
Profit for the year	-	-	-	-	1,475	1,475
Currency translation differences	-	-	-	-	(265)	(265)
Surplus on revaluation of other fixed assets	-	466	-	-	-	466
Retranslation of subsidiaries	-	-	20	-	-	20
	-	-	-	-	-	-
At 31 March 2022	50	466	(72)	1	22,454	22,899

A C PLC

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 May 2020	50	108	158
Profit for the period	-	905	905
Dividends paid	-	(1,000)	(1,000)
At 1 April 2021	50	13	63
Profit for the year	-	64	64
At 31 March 2022	50	77	127

The notes on pages 19 to 42 form part of these financial statements.

A C PLC

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

	2022 £000	2021 £000
Cash flows from operating activities		
Profit for the financial year	1,475	4,081
Adjustments for:		
Depreciation of tangible assets	499	301
Impairments of fixed assets	(75)	-
Loss on disposal of tangible assets	1	6
Interest paid	201	117
Interest received	-	(11)
Taxation charge	(529)	451
(Increase)/decrease in stocks	(954)	795
(Increase) in debtors	(10,764)	(9,771)
Increase/(decrease) in creditors	4,192	(4,979)
Corporation tax (paid)/received	(74)	796
Net cash generated from operating activities	(6,028)	(8,214)
Cash flows from investing activities		
Purchase of intangible fixed assets	(89)	(49)
Purchase of tangible fixed assets	(8)	(536)
Sale of tangible fixed assets	2	37
Interest received	-	11
Net cash from investing activities	(95)	(537)
Cash flows from financing activities		
New secured loans	2,500	8,500
Dividends paid	-	(1,000)
Interest paid	(201)	(117)
Net cash used in financing activities	2,299	7,383
Net (decrease) in cash and cash equivalents	(3,824)	(1,368)
Cash and cash equivalents at beginning of year	4,516	5,884
Cash and cash equivalents at the end of year	692	4,516
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	692	4,516
	692	4,516

A C PLC

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022**

	At 1 April 2021 £000	Cash flows £000	At 31 March 2022 £000
Cash at bank and in hand	4,516	(3,824)	692
Bank loan within one year	-	(2,500)	(2,500)
Bank loans due after 1 year	(8,500)	-	(8,500)
Directors' loan account	-	(2,767)	(2,767)
	<u>(3,984)</u>	<u>(9,091)</u>	<u>(13,075)</u>

The notes on pages 19 to 42 form part of these financial statements.

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

1. General information

AC PLC is a public limited company incorporated in England and Wales. The registered office and principal place of business is Beacroft Farm, Beacroft Road, Marston Moretaine, Bedfordshire, MK43 0QE.

The financial statements are prepared in round £'000.

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 Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the 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 Statement of Comprehensive Income 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 01 April 2014.

Therefore, the Group continues to recognise a merger reserve which arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time.

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

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment.

Based on these assessments and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

2.4 Revenue

Revenue comprises revenue recognised by the Group in respect of goods and services supplied during the year, exclusive of Value Added Tax and discounts.

Revenue represents, in the case of long term contracts, the proportion of contract value applicable to the activity of the year, ascertained by quantity surveyors by reference to work completed. Costs are matched with the revenue resulting in the reporting of attributable profit proportionate to the contract activity.

Estimates of total contract costs and revenues are reviewed periodically and the cumulative effects of changes are recognised in the period in which they are identified. All known or anticipated losses are provided for in full as soon as they are foreseen.

All costs incurred are recorded as cost of sales. Revenues recognised in excess of amounts billed are classified as amounts recoverable on contracts and included in debtors. Where cash is received in advance of the contract valuation, the balance is recognised as part of creditors due within one year, as payments received on account.

2.5 Intangible assets

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

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

2.6 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.

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

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Plant and machinery	-	25% per annum
Motor vehicles	-	25% per annum
Computer equipment	-	50% per annum
Other fixed assets	-	25% per annum

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.

2.7 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

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

2.8 Operating leases

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.9 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 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 first in, first out 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.

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

2. Accounting policies (continued)

2.11 Debtors

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

2.12 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.

2.13 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.

2.14 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP.

Transactions and balances

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

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

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

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

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

2. Accounting policies (continued)

2.15 Financial instruments

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

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

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

2.16 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.

2.17 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.

2.18 Leased assets

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

2. Accounting policies (continued)

2.19 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.

2.20 Interest income

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

2.21 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.22 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.

2.23 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.

2.24 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.

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

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

The preparation of financial statements in accordance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies.

Estimates and judgments 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.

a) Critical judgments in applying accounting policies

There are no judgments (apart from those involving estimates) that have had a significant effect on amounts recognised in the Financial Statements.

b) Key accounting estimates and assumptions

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 the most significant potential impact upon the carrying values of assets and liabilities within the next financial year are as follows:

- i) Revenue recognition on long term contracts**
Recognition of revenue and profit is based on judgments made in respect of the ultimate profitability of a contract. Such judgments are arrived at through the use of estimates in relation to the costs and value of work performed to date and to be performed in bringing contracts to completion, including satisfaction of maintenance responsibilities. The Group has appropriate control procedures to ensure all estimates are determined on a consistent basis and subject to appropriate review and authorisation.
- ii) Useful economic lives of tangible fixed assets**
The useful economic lives used by the Group in respect of tangible fixed assets are set out in the accounting policies. These estimates are the best estimate based on past experience and expected performance and are regularly reviewed to ensure they remain appropriate. The net book value of tangible fixed assets as at 31 March 2022 was £1,566k after a depreciation charge of £469k.
- iii) Bad debt provision**
Trade debtors are reviewed on a regular basis and a part or full provision is made where it is deemed to do so.

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

4. Turnover

The whole of the turnover is attributable to the principal activity of the group.

	31 March 2022 £000	11 months ended 31 March 2021 £000
United Kingdom	7,460	6,175
Rest of Europe	41,686	22,257
Rest of World	-	-
	<u>49,146</u>	<u>28,432</u>

5. Auditor's remuneration

	31 March 2022 £000	11 months ended 31 March 2021 £000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>66</u>	<u>51</u>
Fees payable to the Group's auditor and its associates in respect of:		
All other services	<u>49</u>	<u>65</u>
	<u>49</u>	<u>65</u>

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

6. Employees

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

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Wages and salaries	5,401	5,454	4,349	3,147
Social security costs	572	42	513	33
Cost of defined contribution scheme	110	96	99	55
	<u>6,083</u>	<u>5,592</u>	<u>4,961</u>	<u>3,235</u>

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

	31 March 2022 No.	11 months ended 31 March 2021 No.
Administrative staff	82	49
Directors	7	7
Blue collar workers	104	8
	<u>193</u>	<u>64</u>

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

7. Directors' remuneration

	31 March 2022 £000	11 months ended 31 March 2021 £000
Directors' emoluments	1,049	926
Group contributions to defined contribution pension schemes	24	20
	<u>1,073</u>	<u>946</u>

During the year retirement benefits were accruing to 7 Directors (2021 - 5) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £271k (2021 - £229k).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL (2021 - £6k).

The group considers the key management personnel to comprise of the Directors only. Compensation paid to key management personnel is therefore the same as the disclosure of Directors' remuneration above.

8. Interest receivable and similar income

	31 March 2022 £000	11 months ended 31 March 2021 £000
Interest receivable from group companies	-	11
	<u>-</u>	<u>11</u>

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

9. Interest payable

	31 March 2022 £000	11 months ended 31 March 2021 £000
Bank interest payable	192	105
Loans from group undertakings	-	12
Other interest payable	9	-
	<u>201</u>	<u>117</u>

10. Taxation

	31 March 2022 £000	11 months ended 31 March 2021 £000
Corporation tax		
Current tax on profits for the year	-	468
Adjustments in respect of previous periods	(558)	-
	<u>(558)</u>	<u>468</u>
Total current tax	<u>(558)</u>	<u>468</u>
Deferred tax		
Origination and reversal of timing differences	29	(17)
Total deferred tax	<u>29</u>	<u>(17)</u>
Taxation on (loss)/profit on ordinary activities	<u>(529)</u>	<u>451</u>

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

10. Taxation (continued)

Factors affecting tax charge for the year/period

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

	31 March 2022 £000	11 months ended 31 March 2021 £000
Profit on ordinary activities before tax	<u>946</u>	<u>4,532</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	180	861
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1	7
Capital allowances for year/period in excess of depreciation	(52)	(2)
Utilisation of tax losses	(142)	(182)
Non-taxable income	(42)	-
Research & development tax credits	(503)	-
Non trade loan relationships not taxable	-	134
Tax on foreign subsidiaries	-	(465)
Unrelieved tax losses carried forward	-	115
Movement in deferred tax	29	(17)
Total tax charge for the year/period	<u>(529)</u>	<u>451</u>

Factors that may affect future tax charges

There is a tax rate increase from 19% to 25% from 01 April 2023.

11. Dividends

	2022 £000	2021 £000
Dividends	<u>-</u>	<u>1,000</u>
	<u>-</u>	<u>1,000</u>

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

12. Exceptional items

	31 March 2022 £000	11 months ended 31 March 2021 £000
Bad debt provision in respect of Weworks	<u>1,406</u>	-
	<u><u>1,406</u></u>	<u><u>-</u></u>

13. Intangible assets

Group

	Computer software £000
Cost	
At 1 April 2021	49
Additions	<u>89</u>
At 31 March 2022	<u>138</u>
Amortisation	
At 1 April 2021	2
Charge for the year on owned assets	<u>30</u>
At 31 March 2022	<u>32</u>
Net book value	
At 31 March 2022	<u><u>106</u></u>
At 31 March 2021	<u><u>47</u></u>

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

13. Intangible assets (continued)

Company

	Computer software £000
Cost	
At 1 April 2021	49
Additions	89
At 31 March 2022	<u>138</u>
Amortisation	
At 1 April 2021	2
Charge for the year	30
At 31 March 2022	<u>32</u>
Net book value	
At 31 March 2022	<u>106</u>
At 31 March 2021	<u>47</u>

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

14. Tangible fixed assets

Group

	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Other fixed assets £000
Cost or valuation					
At 1 April 2021	658	131	3	265	1,050
Additions	669	98	-	36	-
Disposals	(389)	(6)	-	(37)	-
At 31 March 2022	<u>938</u>	<u>223</u>	<u>3</u>	<u>264</u>	<u>1,050</u>
Depreciation					
At 1 April 2021	279	63	1	126	143
Charge for the year on owned assets	242	53	1	67	106
Disposals	(149)	(1)	-	(19)	-
At 31 March 2022	<u>372</u>	<u>115</u>	<u>2</u>	<u>174</u>	<u>249</u>
Net book value					
At 31 March 2022	<u><u>566</u></u>	<u><u>108</u></u>	<u><u>1</u></u>	<u><u>90</u></u>	<u><u>801</u></u>
At 31 March 2021	<u><u>380</u></u>	<u><u>67</u></u>	<u><u>3</u></u>	<u><u>138</u></u>	<u><u>907</u></u>

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

14. Tangible fixed assets (continued)

	Total £000
Cost or valuation	
At 1 April 2021	2,107
Additions	803
Disposals	(432)
At 31 March 2022	<u>2,478</u>
Depreciation	
At 1 April 2021	612
Charge for the year on owned assets	469
Disposals	(169)
At 31 March 2022	<u>912</u>
Net book value	
At 31 March 2022	<u><u>1,566</u></u>
At 31 March 2021	<u><u>1,495</u></u>

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

14. Tangible fixed assets (continued)

Company

	Fixtures and fittings £000	Computer equipment £000	Other fixed assets £000	Total £000
Cost or valuation				
At 1 April 2021	3	9	1,050	1,062
Additions	-	8	-	8
At 31 March 2022	<u>3</u>	<u>17</u>	<u>1,050</u>	<u>1,070</u>
Depreciation				
At 1 April 2021	1	3	143	147
Charge for the year on owned assets	1	6	106	113
At 31 March 2022	<u>2</u>	<u>9</u>	<u>249</u>	<u>260</u>
Net book value				
At 31 March 2022	<u>1</u>	<u>8</u>	<u>801</u>	<u>810</u>
At 31 March 2021	<u>3</u>	<u>6</u>	<u>907</u>	<u>916</u>

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

15. Fixed asset investments**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
AC Build Limited		Ordinary	100%
AC Data Limited		Ordinary	100%
AC Data ApS*	c/o Beierholm Risingsvej 63, 1. - 5000 Odense C Denmark	Ordinary	100%
AC Data Norway**		Ordinary	100%
AC Plc Netherlands B.V	41227/1133213 Strawinskylaan 4117 1077 ZX Amsterdam Netherlands	Ordinary	100%
AC Plc Belgium B.V	Lozenberg 22/3 1932 Zaventem O.N. 0754.931.006 RPR Brussel Belgium	Ordinary	100%
AC Plc Germany Gmbh	c/o RSM Gmbh Markgrafenstrabe 32 10117 Berlin Germany	Ordinary	100%
AC Plc Finland Oy	c/o Tietotili Consulting Oy Vanha Kaarelantie 33A 01610 Vantaa Finland	Ordinary	100%
AC Build Spain SL	Palma De Mallorca Street Cosa 41 Spain	Ordinary	100%
AC America LLC		Ordinary	100%

AC Build Limited, AC Data Ltd (Formerly AC Resources Ltd) and AC Data Norway have the same registered office as AC PLC.

* AC Data APS is a 100% subsidiary of AC Build Limited.

** AC Data Norway was incorporated on 27 November 2019 and remained dormant during the period.

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

15. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Profit/(Loss) £000
AC Data Limited	4,548
AC Build Limited	482
AC Data Ltd ApS*	(1)
AC Austria	(13)
AC Data Norway**	-
AC Plc Netherlands B.V	142
AC Plc Belgium B.V	257
AC Plc Germany GmbH	398
AC Plc Finland Oy	15
AC Build Spain SL	176
AC America LLC	(56)

16. Stocks

	Group 2022 £000	Group 2021 £000
Finished goods and goods for resale	1,782	1,016
	<u>1,782</u>	<u>1,016</u>

Stock recognised in cost of sales of the Group during the period as an expense was £342k (2021 - £3,740k).

Stock recognised in cost of sales of the Company during the year as an expense was £nil (2021 - £nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**
17. Debtors

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Trade debtors	5,814	4,745	-	1,105
Amounts owed by group undertakings	-	-	10,706	6,950
Amounts owed by joint ventures and associated undertakings	64	33	-	-
Other debtors	2,826	2,360	2,460	4,180
Prepayments and accrued income	601	680	601	192
Amounts recoverable on long term contracts	30,611	21,261	-	-
Tax recoverable	13	32	-	-
	<u>39,929</u>	<u>29,111</u>	<u>13,767</u>	<u>12,427</u>

2021 balances with related parties were reclassified from Other debtors to Amounts owed by group undertakings and Amounts owed by associated undertakings.

18. Cash and cash equivalents

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Cash at bank and in hand	692	4,516	163	2,465
	<u>692</u>	<u>4,516</u>	<u>163</u>	<u>2,465</u>

19. Creditors: Amounts falling due within one year

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Bank loans	2,500	-	2,500	-
Trade creditors	5,075	1,550	373	2,185
Amounts owed to group undertakings	-	-	-	3,591
Amounts owed to associates	225	-	196	1,314
Corporation tax	6	574	-	-
Other taxation and social security	410	237	161	54
Other creditors	3,269	3,359	2,989	148
Accruals and deferred income	1,054	697	-	-
	<u>12,539</u>	<u>6,417</u>	<u>6,219</u>	<u>7,292</u>

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

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

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Bank loans	8,500	8,500	8,500	8,500
	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>	<u>8,500</u>

The loan carries interest rate of 2.04% per annum and is repayable in 2023.

The loan is secured over a floating charge on the assets and property of the group.

21. Financial instruments

All financial instruments are held at amortised cost.

22. Share based payments

On 20 June 2016, the Company granted an approved Enterprise Management Incentive to certain senior employees. The terms of the incentive grant an option to the employee to acquire up to 4,545 shares in the Company at the date of exercise. The option to acquire these shares is exercisable only in the event of the sale of the Company, at any time between the date the option was granted and 20 June 2026. There are no performance conditions attached to the options.

23. Loans

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Amounts falling due within one year				
Bank loans	2,500	-	2,500	-
Amounts falling due 1-2 years				
Bank loans	8,500	-	8,500	-
Amounts falling due 2-5 years				
Bank loans	-	8,500	-	8,500
	<u>-</u>	<u>8,500</u>	<u>-</u>	<u>8,500</u>
	<u>11,000</u>	<u>8,500</u>	<u>11,000</u>	<u>8,500</u>

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

24. Deferred taxation

Group

	2022 £000	2021 £000
At beginning of year	(65)	(82)
Charged to profit or loss	(72)	17
At end of year	(137)	(65)
	Group 2022 £000	Group 2021 £000
Accelerated capital allowances	137	66
Tax losses carried forward	-	(1)
	(137)	(65)

25. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
501,325 Ordinary shares of £0.10 each	50	50

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

26. Reserves

Revaluation reserve

Revaluation reserve includes movements in the valuation of fixed assets.

Foreign exchange reserve

Foreign exchange reserve relates to the translation of overseas subsidiaries.

Merger Reserve

The merger reserve represents the difference between the cost of investment and the net book value of assets acquired in a group reconstruction.

Profit and loss account

The profit and loss account reserve includes all current and previous period retained profits and losses.

27. Discontinued operations

During the year the subsidiary AC Build Limited ceased operation. As a result it's current year and last year results have been shown as discontinued operations together with results of AC Flooring Limited and AC Waterproofing Limited which ceased trading in prior year.

28. Contingent liabilities

The Company is part of a VAT group registered with its subsidiary company AC Data Ltd (Formerly AC Resources Limited) .

In accordance with the VAT group registration rules, there is automatically a cross guarantee given to H.M. Revenue and Customs in respect of the combined VAT liability across the group registration.

29. 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 £99k (2021:£96k. Contributions totaling £36k (2021: £35k) were payable to the fund at the balance sheet date.

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

30. Related party transactions

The Group has taken advantage of the exemption from disclosing transactions with other members of the Group headed by AC PLC. Transactions with other group companies are not disclosed since the ultimate parent company has prepared consolidated financial statements which are publicly available.

During the period a Director's loan account existed in favour of Andrew C Laing. The balance outstanding at the period end was £2,767k (2021: £Nil) and is included in other creditors. Interest of £Nil (2021: £nil) was paid by the Group in respect of the balance due.

At the year the Group was owed £67 (2021: £Nil) by AC Safety Limited, a company under common control.

At the year end the Group owed £9k (2021: was owed £9k) to Dynamic Coating Specialist Limited, a company under common control.

At the year end the Group owed Nil (2021: was owed £99k) to AC Plant Rental Limited, a company under common control.

At the year end, the Group was owed £80 (2021: £80) from AC plc Ireland, a company under common.

At the year end, the Group was owed £2k (2021: owed £2k) from AC Singapore (PTE) Ltd, a company under common control.

At the year end, the Group was owed £444 (2021: £444) from AC Plc Vietnam, a company under common control.

At the year end, the Group was owed £12K (2021: £45K) from AC Build Technical Services, a company under common control.

At the year end, the Group was owed £1,816k (2021: £420k) by AC Property Developers Ltd, a company under common control

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31. Post balance sheet events

There were no post balance sheet events.

32. Controlling party

The ultimate controlling party of AC PLC is Andrew C Laing.