

Registered number: 06526121

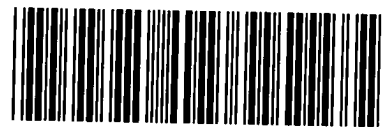
AC PLC

AMENDED

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 APRIL 2020

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AC PLC

COMPANY INFORMATION

Directors	Andrew C Laing Claire V Laing Angela E Douty Jeremy J Kershaw Stuart D Carss (appointed 18 November 2019) Simon C Lousada Mark Thompson (appointed 1 July 2020)
Company secretary	Angela Douty
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

AC PLC

CONTENTS

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 5
Independent Auditor's Report	6 - 8
Consolidated Statement of Comprehensive Income	9
Consolidated Balance Sheet	10 - 11
Company Balance Sheet	12 - 13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	14
Consolidated Statement of Cash Flows	15
Analysis of Net Debt	16
Notes to the Financial Statements	17 - 37

**GROUP STRATEGIC REPORT
FOR THE PERIOD ENDED 30 APRIL 2020**

Business review

The Group's primary activity during the period was Cladding & Roofing to data centres, Fit-outs, Flooring and Waterproofing. The Group continued with its research and development programme in glazed partition and curtain walling systems as well as its prefabrication and offsite strategy. This has resulted in a reduction of overall commercial risk to the projects, reduction of emissions and a reduction of time spent on site with the associated improvement in safety.

The market remains very challenging and has the additional demands of Brexit and Covid-19 to contend with however despite the speed and volatility of this changing market, the Group has significantly increased its market share.

One of the Group's key drivers is health, safety and the environment. It continues to strive towards zero accidents and is still strongly promoting its "Safety By Nature Not By Choice" initiative. Our decision to promote off-site production is a major contributing factor that will assist our ability to improve safety, increase production efficiency and drive down our emissions.

Principal risks and uncertainties

The Data Centre and Fit-out markets continue to be strong with a broad range of competition from established brands. Despite this the Group's broad strengths and innovative athleticism establishes AC as a key player in this market with large potential growth in the future.

The Directors have navigated the last quarter of the financial period with great care to keep the staff and company safe from Covid-19. The pandemic has resulted in constant change within each country that we operate, and we have extended our year end to April to help with the effects of lockdown.

Financial key performance indicators

Growth & Profitability

The Directors of the Group closely monitor a range of KPI's. Those related to growth and profitability include revenue which fallen by £10m (18%); our profit before tax has also seen a decline of £4m (44%). This primarily relates to the impact of Covid-19.

We have seen programmed works move back but we have still managed to maintain to our KPIs through our linear approach to delivery which in return has kept us to an 10% bottom line despite reduced turnover.

Future development

We expect next year 2021/22 to improve from this period despite Brexit and Covid 19 with the market continuing to grow exponentially from 2022 onwards.

Works continue on existing projects, and with a number of orders being received for new projects that will commence in Quarter 1 of 20/21 we see encouraging signs for future growth.

We are looking to centralise our European operations to the Netherlands where we are planning to open a manufacturing facility and offices just outside Amsterdam.

AC PLC

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2020**

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



.....
Andrew C Laing
Director

Date: 29 JAN 2021

AC PLC

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 30 APRIL 2020**

The Directors present their report and the financial statements for the period ended 30 April 2020.

Principal activities

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 period, after taxation, amounted to £4,653 thousand (2019 - £10,576 thousand).

Dividends totaling £2m (2019: £nil) were paid during the year.

Directors

The Directors who served during the period were:

Andrew C Laing
Claire V Laing
Angela E Douty
Jeremy J Kershaw
Stuart D Carss (appointed 18 November 2019)
Simon C Lousada

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2020**

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.

Engagement with employees

During the year regular meetings are held between management and employees to allow a free flow of information and ideas. The Directors' recognise the benefits by keeping employees informed on the progress of the Group and its performance.

Health & Safety of employees is paramount and it is our policy to consider the skills of disabled persons fully and fairly. Opportunities are available to disabled employees for training, career development and promotion. Where existing employees become disabled, it is the Group's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training if required.

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.

AC PLC

**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 APRIL 2020**

Auditor

The auditor, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....
Andrew C Laing

Director

Date: 29 JAN 2021

Beancroft Farm
Beancroft Road
Marston Moretaine
Bedfordshire
MK43 0QE

AC PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF AC PLC

Opinion

We have audited the financial statements of AC PLC (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 30 April 2020, 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 30 April 2020 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material

AC PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF AC PLC (CONTINUED)

inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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 on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AC PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF AC 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 financial statements.

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

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
Chartered Accountants
Statutory Auditors
2 London Wall Place
London
EC2Y 5AU

Date: 29 JAN 2021

AC PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 APRIL 2020**

	Note	13 months ended 30 April 2020 £	Year ended 31 March 2019 £000
Turnover	4	44,195	54,143
Cost of sales		(31,877)	(37,844)
Gross profit		12,318	16,299
Administrative expenses		(7,200)	(7,247)
Operating profit		5,118	9,052
Interest receivable and similar income		1	-
Interest payable	9	-	22
Profit before taxation		5,119	9,074
Tax on profit	10	(466)	1,502
Profit for the financial period		4,653	10,576
Profit for the period attributable to:			
Owners of the parent Company		4,653	10,576

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

AC PLC
REGISTERED NUMBER: 06526121

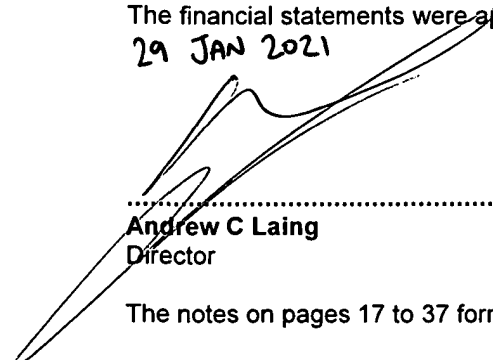
**CONSOLIDATED BALANCE SHEET
AS AT 30 APRIL 2020**

	Note	30 April 2020 £000	30 April 2020 £000	31 March 2019 £000	31 March 2019 £000
Fixed assets					
Tangible assets	12		1,300		1,781
Current assets					
Stocks	14	1,811		936	
Debtors: amounts falling due within one year	15	18,026		20,815	
Cash at bank and in hand	16	5,197		1,875	
		<u>25,034</u>		<u>23,626</u>	
Creditors: amounts falling due within one year	17	(8,478)		(10,186)	
Net current assets			<u>16,556</u>		<u>13,440</u>
Total assets less current liabilities			<u>17,856</u>		<u>15,221</u>
Creditors: amounts falling due after more than one year	18		-		(16)
Provisions for liabilities					
Deferred taxation	22	(82)		(84)	
			<u>(82)</u>		<u>(84)</u>
Net assets			<u>17,774</u>		<u>15,121</u>
Capital and reserves					
Called up share capital	23		50		50
Profit and loss account	24		17,724		15,071
			<u>17,774</u>		<u>15,121</u>

AC PLC
REGISTERED NUMBER: 06526121

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2020

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
29 JAN 2021



.....
Andrew C Laing
Director

The notes on pages 17 to 37 form part of these financial statements.

AC PLC
REGISTERED NUMBER: 06526121

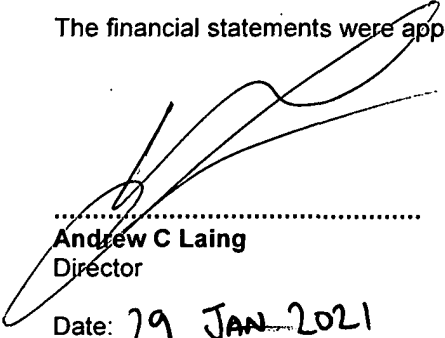
COMPANY BALANCE SHEET
AS AT 30 APRIL 2020

	Note	30 April 2020 £000	30 April 2020 £000	31 March 2019 £000	31 March 2019 £000
Fixed assets					
Tangible assets	12		530		590
Investments	13		1,335		1,335
			<u>1,865</u>		<u>1,925</u>
Current assets					
Debtors	15	3,933		2,666	
Cash at bank and in hand	16	48		179	
		<u>3,981</u>		<u>2,845</u>	
Creditors: amounts falling due within one year	17	(5,688)		(4,642)	
Net current liabilities			<u>(1,707)</u>		<u>(1,797)</u>
Total assets less current liabilities			<u>158</u>		<u>128</u>
Creditors: amounts falling due after more than one year	18		-		(16)
Net assets			<u>158</u>		<u>112</u>
Capital and reserves					
Called up share capital	23		50		50
Profit and loss account brought forward		62		17	
Profit for the period		2,046		765	
Other changes in the profit and loss account		(2,000)		(720)	
Profit and loss account carried forward			<u>108</u>		<u>62</u>
			<u>158</u>		<u>112</u>

AC PLC
REGISTERED NUMBER: 06526121

COMPANY BALANCE SHEET (CONTINUED)
AS AT 30 APRIL 2020

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



.....
Andrew C Laing
Director

Date: 29 JAN 2021

The notes on pages 17 to 37 form part of these financial statements.

AC PLC

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2020**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 April 2018	50	5,215	5,265
Profit for the year	-	10,576	10,576
Purchase of own shares	-	(720)	(720)
At 1 April 2019	50	15,071	15,121
Profit for the period	-	4,653	4,653
Dividends: Equity capital	-	(2,000)	(2,000)
	-	-	-
At 30 April 2020	50	17,724	17,774

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2020**

	Called up share capital £000	Profit and loss account £000	Total equity £000
At 1 April 2018	50	17	67
Profit for the year	-	765	765
Purchase of own shares	-	(720)	(720)
At 1 April 2019	50	62	112
Profit for the period	-	2,046	2,046
Dividends: Equity capital	-	(2,000)	(2,000)
At 30 April 2020	50	108	158

The notes on pages 17 to 37 form part of these financial statements.

AC PLC

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 APRIL 2020**

	30 April 2020 £000	31 March 2019 £000
Cash flows from operating activities		
Profit for the financial period	4,653	10,576
Adjustments for:		
Depreciation of tangible assets	396	69
Loss on disposal of tangible assets	208	-
Interest received	(1)	(22)
Taxation charge	466	(1,502)
Increase in stocks	(875)	(838)
Decrease in debtors	2,095	1,056
Decrease in creditors	(1,442)	(6,981)
Corporation tax received / (paid)	227	(329)
Net cash generated from operating activities	5,727	2,029
Cash flows from investing activities		
Purchase of tangible fixed assets	(304)	(1,857)
Sale of tangible fixed assets	181	358
Interest received	1	22
Net cash from investing activities	(122)	(1,477)
Cash flows from financing activities		
Repurchase of shares	-	(720)
Repayment of finance leases	(32)	(319)
Dividends paid	(2,000)	-
Net cash used in financing activities	(2,032)	(1,039)
Net increase/(decrease) in cash and cash equivalents	3,573	(487)
Cash and cash equivalents at beginning of period	1,624	2,112
Cash and cash equivalents at the end of period	5,197	1,625
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	5,197	1,875
Bank overdrafts	-	(250)
	5,197	1,625

AC PLC

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE PERIOD ENDED 30 APRIL 2020**

	At 1 April 2019 £000	Cash flows £000	At 30 April 2020 £000
Cash at bank and in hand	1,875	3,322	5,197
Bank overdrafts	(250)	250	-
Directors' loan account	(131)	(2,136)	(2,267)
Finance leases	(32)	32	-
	<u>1,462</u>	<u>1,468</u>	<u>2,930</u>

The notes on pages 17 to 37 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

1. General information

AC PLC is a public limited company incorporated in England and Wales. The registered office and principal place of business is Beancroft Farm, Beancroft 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

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. The COVID-19 pandemic and the ensuing economic shutdown has not had a significant impact on the Group's operations. In response to the COVID-19 pandemic, the Directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact

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 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 PERIOD ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.5 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 the Consolidated Statement of Comprehensive Income.

2.6 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

2.7 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 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.

2.9 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.10 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.

2.11 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.

2.12 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 the profit or loss statement 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 the profit or loss statement within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.13 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.

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.

2.14 Finance costs

Finance costs are charged to the 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.

2.15 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.

2.16 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 the Consolidated Statement of Comprehensive Income 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 PERIOD ENDED 30 APRIL 2020**

2. Accounting policies (continued)

2.17 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 the 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.

2.18 Interest income

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

2.19 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the period in which they are incurred.

2.20 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 the Consolidated Statement of Comprehensive Income 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.

2.21 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

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 30 April 2020 was £1,300 thousand after a depreciation charge in the period of £396 thousand.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

4. Turnover

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

Analysis of turnover by country of destination:

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
United Kingdom	18,456	29,598
Rest of Europe	37,114	41,000
Turnover attributable to worldwide associated non-group companies	(367)	(7,000)
Group turnover eliminated on consolidation	(11,009)	(9,455)
	<u>44,194</u>	<u>54,143</u>

5. Auditor's remuneration

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	<u>55</u>	<u>50</u>
Fees payable to the Group's auditor in respect of:		
All other services	<u>71</u>	<u>127</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

6. Employees

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

	Group 30 April 2020 £000	Group 31 March 2019 £000	Company 30 April 2020 £000	Company 31 March 2019 £000
Wages and salaries	6,368	4,466	679	537
Social security costs	281	230	77	77
Cost of defined contribution scheme	235	86	(2)	15
	<u>6,884</u>	<u>4,782</u>	<u>754</u>	<u>629</u>

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

	13 months ended 30 April 2020 No.	Year ended 31 March 2019 No.
Administrative staff	98	71
Directors	5	5
	<u>103</u>	<u>76</u>

The Company has no employees other than the Directors, who did not receive any remuneration (2019 - £NIL)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

7. Directors' remuneration

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
Directors' emoluments	487	205
Company contributions to defined contribution pension schemes	5	3
	<u>492</u>	<u>208</u>

During the period retirement benefits were accruing to 5 Directors (2019 - 4) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £159 thousand (2019 - £130 thousand).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £5 thousand (2019 - £4 thousand).

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

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
Other interest receivable	1	-
	<u>1</u>	<u>-</u>

9. Interest payable

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
Bank interest payable	-	(22)
	<u>-</u>	<u>(22)</u>

AC PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

10. Taxation

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
Corporation tax		
Current tax on profits for the year	-	(89)
Adjustments in respect of previous periods	468	(1,497)
Total current tax	<u>468</u>	<u>(1,586)</u>
Deferred tax		
Origination and reversal of timing differences	(2)	84
Total deferred tax	<u>(2)</u>	<u>84</u>
Taxation on profit/(loss) on ordinary activities	<u>466</u>	<u>(1,502)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

10. Taxation (continued)**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is lower than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	13 months ended 30 April 2020 £000	Year ended 31 March 2019 £000
Profit on ordinary activities before tax	5,119	9,074
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	973	1,724
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4	92
Depreciation in excess of capital allowances/(capital allowances for year in excess of depreciation)	45	(100)
Utilisation of tax losses	-	(233)
Adjustments to tax charge in respect of prior periods	468	(1,403)
Unrelieved tax losses carried forward	311	-
Movement in deferred tax	(2)	84
Research & development tax credits	(1,333)	(1,666)
Total tax charge for the period/year	466	(1,502)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

11. Dividends

	30 April 2020 £000	31 March 2019 £000
Dividends	2,000	-

AC PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

12. Tangible fixed assets

Group

	Plant and machinery £000	Motor vehicles £000	Computer equipment £000	Other fixed assets £000	Total £000
Cost or valuation					
At 1 April 2019	560	277	413	600	1,850
Additions	261	-	43	-	304
Disposals	(212)	(103)	(195)	-	(510)
At 30 April 2020	<u>609</u>	<u>174</u>	<u>261</u>	<u>600</u>	<u>1,644</u>
Depreciation					
At 1 April 2019	36	17	6	10	69
Charge for the period on owned assets	159	65	107	65	396
Disposals	(48)	(24)	(49)	-	(121)
At 30 April 2020	<u>147</u>	<u>58</u>	<u>64</u>	<u>75</u>	<u>344</u>
Net book value					
At 30 April 2020	<u>462</u>	<u>116</u>	<u>197</u>	<u>525</u>	<u>1,300</u>
At 31 March 2019	<u>524</u>	<u>260</u>	<u>407</u>	<u>590</u>	<u>1,781</u>

AC PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

12. Tangible fixed assets (continued)

Company

	Computer equipment £000	Other fixed assets £000	Total £000
Cost or valuation			
At 1 April 2019	-	600	600
Additions	5	-	5
At 30 April 2020	<u>5</u>	<u>600</u>	<u>605</u>
Depreciation			
At 1 April 2019	-	10	10
Charge for the period on owned assets	-	65	65
At 30 April 2020	<u>-</u>	<u>75</u>	<u>75</u>
Net book value			
At 30 April 2020	<u>5</u>	<u>525</u>	<u>530</u>
At 31 March 2019	<u>-</u>	<u>590</u>	<u>590</u>

AC PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

13. Fixed asset investments**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
AC Flooring Limited		Ordinary	100%
AC Build Limited		Ordinary	100%
AC Resources Limited T/A AC Data LTD		Ordinary	100%
AC Waterproofing Limited		Ordinary	100%
AC Data ApS*	c/o Beierholm Risingsvej 63 5000 Odense C. Denmark	Ordinary	100%
AC Data Norway**		Ordinary	100%

Other than AC Data ApS, all of the above subsidiaries 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.

The aggregate of the share capital and reserves as at 30 April 2020 and the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	
	£000	Profit/(Loss) £000
AC Flooring Limited	8,383	(232)
AC Build Limited	2,845	2,654
AC Resources Limited T/A AC Data	13,476	4,552
AC Waterproofing Limited	(3,827)	359
AC Data ApS*	(1,223)	(1,228)
AC Data Norway**	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

14. Stocks

	Group 30 April 2020 £000	Group 31 March 2019 £000
Finished goods and goods for resale	1,811	936

Stock recognised in cost of sales of the Group during the year as an expense was £2,747 thousand (2019 - £26,235 thousand).

Stock recognised in cost of sales of the Company during the year as an expense was £nil (2019 - £nil)

15. Debtors

	Group 30 April 2020 £000	Group 31 March 2019 £000	Company 30 April 2020 £000	Company 31 March 2019 £000
Trade debtors	6,158	8,002	12	310
Amounts owed by group undertakings	-	-	3,084	1,263
Other debtors	2,165	3,098	708	306
Prepayments and accrued income	535	110	129	105
Amounts recoverable on long term contracts	8,490	8,231	-	-
Tax recoverable	678	1,374	-	682
	18,026	20,815	3,933	2,666

16. Cash and cash equivalents

	Group 30 April 2020 £000	Group 31 March 2019 £000	Company 30 April 2020 £000	Company 31 March 2019 £000
Cash at bank and in hand	5,197	1,875	48	179
Less: bank overdrafts	-	(250)	-	-
	5,197	1,625	48	179

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

17. Creditors: Amounts falling due within one year

	Group 30 April 2020 £000	Group 31 March 2019 £000	Company 30 April 2020 £000	Company 31 March 2019 £000
Bank overdrafts	-	250	-	-
Trade creditors	1,240	3,781	163	736
Amounts owed to group undertakings	-	-	3,205	3,583
Other taxation and social security	469	93	40	11
Obligations under finance lease and hire purchase contracts	-	16	-	-
Other creditors	4,021	6,046	2,280	312
Accruals and deferred income	2,748	-	-	-
	<u>8,478</u>	<u>10,186</u>	<u>5,688</u>	<u>4,642</u>

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

	Group 30 April 2020 £000	Group 31 March 2019 £000	Company 30 April 2020 £000	Company 31 March 2019 £000
Net obligations under finance leases and hire purchase contracts	-	16	-	16
	<u>-</u>	<u>16</u>	<u>-</u>	<u>16</u>

Amounts due under finance lease and hire purchase contracts are secured on the assets to which they relate.

19. Financial instruments

All financial instruments are held at amortised cost.

20. 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 14,934 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.

21. Financial instruments

All financial instruments are held at amortised cost.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

22. Deferred taxation

Group

	2020 £000
At beginning of year	84
Charged to profit or loss	(2)
At end of year	82

	Group 30 April 2020 £000	Group 31 March 2019 £000
Accelerated capital allowances	85	84
Pension surplus	(3)	-
	(82)	(84)

23. Share capital

	30 April 2020 £000	31 March 2019 £000
Allotted, called up and fully paid		
50,000 (2019 - 50,000) Ordinary shares of £1.00 each	50	50

24. Reserves

Profit and loss account

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

25. Contingent liabilities

The Company is part of a VAT group registered with its subsidiary companies AC Flooring Limited, AC Build Limited, AC Waterproofing Limited and 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

26. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions totaling £94,000 (2019: £142,000) were payable to the fund at the balance sheet date.

27. Commitments under operating leases

At 30 April 2020 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 30 April 2020 £000	Group 31 March 2019 £000
Not later than 1 year	-	1

Lease payments recognised as an expense within administrative overheads in the year totalled £nil (2019 - £4,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

28. Related party transactions

During the year a Director's loan account existed in favour of Andrew C Laing. The balance outstanding at the year end was £2,267,000 (2019: £131,359) and is included in other creditors. Interest of £nil (2019: £nil) was paid by the Group in respect of the balance due.

At the year end the Group was owed £8,702 (2019: £48,976) by AC Safety Limited, a company under common control.

At the year end the Group was owed £10,689 (2019: £190,636) by Dynamic Coating Specialist Limited, a company under common control.

At the year end the Group was owed £43,000 (2019: Group owed £701,958) by AC Plant Rental Limited, a company under common control.

At the year end, the Group was owed £nil (2019: £3,824,704) from Tag Og Fascade, a company under common control.

At the year end, the Group owed £50,724 (2019: Group was owed £697,145) from AC plc Germany GmbH, a company under common control.

At the year end, the Group owed £141,665 (2019: Group was owed £1,010,386) from AC plc SA (Pty), a company under common control.

At the year end, the Group was owed £5,236 (2019: £39,598) from AC plc Ireland, a company under common control.

At the year end, the Group owed £23,125 (2019: Group was owed £19,837) from AC plc Netherlands, a company under common control.

At the year end, the Group was owed £193,557 (2019: £nil) from AC plc Finland, a company under common control.

At the year end, the Group owed £7,533 (2019: £nil) from AC Singapore (PTE) Ltd, a company under common control.

At the year end, the Group owed £116,196 (2019: £nil) from AC America LLC, a company under common control.

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.

29. Post balance sheet events

Post year end the Group have received support from its bankers and have obtained a bank facility of £8.5m which is available to be drawdown if required.

30. Controlling party

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

AC PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2020**

31. Amended accounts

This set of financial statements replace the original accounts. This set is now the statutory financial statements and are prepared as they were at the date of the original accounts.

Changes made to the figures include an additional £1m dividend received from AC Resources Limited, and an additional £1m dividend paid (see note 11) which were excluded by error. This adjustment also increased the director's loan account by £1m (see note 28).

The adjustment has reduced the consolidated group reserves by £1m. There has been no change to AC PLC individual company reserves.

The adjustment has also decreased the reserves in AC Resources Limited, as declared in note 13, by £1m.