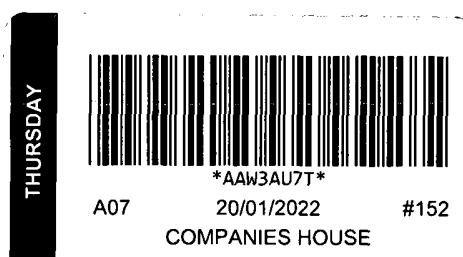


REGISTERED NUMBER: 02590813

ATG AIRPORTS LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2021



ATG AIRPORTS LIMITED

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ATG AIRPORTS LIMITED
COMPANY INFORMATION
for the Year Ended 30 April 2021

DIRECTORS:	G M McGuinness R Currie P McGuinness P McGuinness C McGuinness
SECRETARY:	D M Smith
REGISTERED OFFICE:	Automation House Lowton Business Park Newton Road Lowton St Mary's Warrington Cheshire WA3 2AP
REGISTERED NUMBER:	02590813 (England and Wales)
AUDITORS:	Fairhurst Statutory Auditors Chartered Accountants Douglas Bank House Wigan Lane Wigan Lancashire WN1 2TB
BANKERS:	Natwest Bank Plc 5th Floor 1 Spinningfields Square Deansgate Manchester M3 3AP

STRATEGIC REPORT
for the Year Ended 30 April 2021

The directors present their strategic report for the year ended 30 April 2021.

REVIEW OF BUSINESS

The ATG Airports business has four distinct business units comprising of Control Systems, Runway lighting products, Product Spares and Turnkey solutions, and while these typically generate annual turnover around £13m it is common that the actual product offering and sales mix fluctuates with market swing.

The company achieved sales in excess of £8.8M in the year, which the board consider a solid result considering the significant ongoing impact of the coronavirus pandemic on the aviation industry throughout the whole year. The EBITDA returned on this turnover was less compared with last year, again the performance significantly impacted by coronavirus. Additionally the business did not take up any bounce back loans offered through the ongoing covid crisis which impacted turnover and final result in the short term but demonstrates the strength of the business in dealing with market fluctuations.

There remains uncertainty in the market place due to Brexit, and in particular the effects on supplies and lead times, however, we do not feel that the impact on our current year's performance will be significant.

This year Control Systems showed a growth in sales of 11% despite the pandemic, however Runway Lighting products including spares and Turnkey solutions have shown an expected downturn of 26% and 43% respectively. The ongoing effects of the pandemic in the aviation sector indicate that the next financial year will continue to be very difficult in all business units, the directors continue to implement changes that will protect the long-term prospects for the business. These include diversifying into other business sectors and reducing costs.

The Board are disappointed with the results achieved, but feel that given the impact of the coronavirus pandemic, they are acceptable, the long-term strategy remains to return the business to its previous levels of profitability. Although, given the current worldwide situation with the pandemic and in particular the ongoing uncertainty in the aviation sector this is unlikely to happen in the next financial year. Following last year's acquisition of ATG Airport's parent company by PPJC Holdings Ltd, the directors are continuing to focus the strategy on driving the business forward and aim to return the business to previous performance levels utilising 2022 as a consolidation year and then to grow the business still further in the future.

The Board monitors a number of key performance indicators of which gross margin and EBITDA are the most crucial. The directors feel that while the short-term strategy is focused on diversifying and controlling costs to minimise the covid impact, the long-term strategy remains that of growing new markets both at home and abroad which will assist in returning the business to previous levels of profitability and will continue to help the business grow. With the investment made by the business in our products and management we are well positioned post covid to meet the global needs of our clients, whilst continuing to support our home market, with high levels of client support and customer satisfaction.

FUTURE

The company's key objective in the coming year is to see our way through the current difficult times and secure the business, that can then continue to target growth in the UK and overseas and benefit from its continued investment in strengthening and reorganising its products and systems to achieve targeted growth in all business units.

RESEARCH & DEVELOPMENT

The company continues to invest in R&D with the aim of staying at the forefront of technological advances and ensuring that our products are up to date and fit for purpose.

CERTIFICATION

The company is continuing to undergo a programme of certification for its products across a range of different bodies to ensure that they are approved for worldwide use, in particular FAA accreditation for the American market.

STRATEGIC REPORT
for the Year Ended 30 April 2021

PRINCIPAL RISKS AND UNCERTAINTIES

ATG Airports Limited takes a number of measures to mitigate the risks that it encounters.

Foreign currency exposure is limited by taking out forward contracts, applying a natural hedge between sales and purchases in foreign currencies and, where possible, quoting in sterling in overseas markets.

Credit risk is mitigated through the limiting of credit offered to overseas customers, the use of documentary letters of credit for shipments and credit insurance where available.

Liquidity risk is facilitated by the use of a multi-currency facility from our Bank.

The principal risk currently is undoubtedly the coronavirus pandemic's impact on global supply chain and the uncertainty this is causing on costs and lead times, but the directors feel they have put in place a strategy to enable us to see our way through this issue.

ON BEHALF OF THE BOARD:


.....
P McGuinness - Director

Date: 18/1/2022

ATG AIRPORTS LIMITED

REPORT OF THE DIRECTORS for the Year Ended 30 April 2021

The directors present their report with the financial statements of the company for the year ended 30 April 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the supply of products, training and total turnkey solutions to the airfield ground lighting market.

RESULTS AND DIVIDENDS

No dividends have been distributed to the holding company during the year ended 30 April 2021 (2020 - £Nil) and it is proposed that the retained loss of -£119,107 (2020 - profit of £194,408) be taken to reserves.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 May 2020 to the date of this report.

G M McGuinness
R Currie
P McGuinness
P McGuinness
C McGuinness

Other changes in directors holding office are as follows:

J Hodd - resigned 3 May 2020

GOING CONCERN

Whilst the company has reported an operating loss in 2021, largely as a result of reduced sales due to the Covid-19 pandemic, it has net assets of £2.5million. The company has taken advantage of Government schemes and incentives to alleviate losses. In addition, the Board and senior management have implemented a number of cost saving measures, including sadly some redundancies, to streamline the business.

Profit and loss projections and cash flow forecasts have been prepared to 2022/23, with cautious assumptions surrounding revenue streams. These indicate that the company will operate at a positive EBITDA level and not require any further external funding, whilst remaining within its current, agreed, banking facilities.

On this basis, along with recent management accounts figures, the directors are confident that the company will be able to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in these financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

REPORT OF THE DIRECTORS
for the Year Ended 30 April 2021

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

ON BEHALF OF THE BOARD:



.....
P McGuinness - Director

Date: 18/1/2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATG AIRPORTS LIMITED

Opinion

We have audited the financial statements of ATG Airports Limited (the 'company') for the year ended 30 April 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATG AIRPORTS LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ATG AIRPORTS LIMITED

Auditors' responsibilities for the audit of the financial statements

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

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:

- we identified the laws and regulations applicable to the company through discussions with directors and other management, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation, employment legislation and Health and Safety regulations.

- we enquired of the directors and reviewed correspondence with HMRC for evidence of non-compliance with laws and regulations. We also reviewed controls the directors have in place to ensure compliance.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

- performed analytical procedures to identify any unusual or unexpected relationships;

- tested journal entries to identify unusual transactions;

- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

- we reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above;

- we enquired of the directors about actual and potential litigation and claims.

Due to inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.


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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ATG AIRPORTS LIMITED (REGISTERED NO: 02590813)**

Use of our report

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

John B S Fairhurst BA(Hons) FCA (Senior Statutory Auditor)
for and on behalf of Fairhurst
Statutory Auditors
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB



Date:18/11/22.....

ATG AIRPORTS LIMITED
STATEMENT OF COMPREHENSIVE
INCOME
for the Year Ended 30 April 2021

	Notes	2021 £	2020 £
TURNOVER	3	8,892,631	11,550,239
Cost of sales		<u>6,555,459</u>	<u>8,100,383</u>
GROSS PROFIT		2,337,172	3,449,856
Administrative expenses		<u>2,903,610</u>	<u>3,137,433</u>
		(566,438)	312,423
Other operating income		<u>625,584</u>	<u>118,033</u>
 * EBITDA adjusted		 59,146	 430,456
Restructuring and reorganisation costs	5	115,349	29,256
Depreciation and amortisation		118,103	132,122
Loss on disposal of assets		<u>8,316</u>	<u>37,729</u>
 OPERATING (LOSS)/PROFIT		 (182,622)	231,349
Interest payable and similar expenses	6	<u>14,216</u>	<u>15,974</u>
(LOSS)/PROFIT BEFORE TAXATION	7	(196,838)	215,375
Tax on (loss)/profit	8	<u>(77,731)</u>	<u>20,967</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(119,107)	194,408
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR		<u>(119,107)</u>	<u>194,408</u>

* EBITDA adjusted excludes restructuring and reorganisation costs and loss on disposal of fixed assets

The notes form part of these financial statements

ATG AIRPORTS LIMITED (REGISTERED NUMBER: 02590813)

STATEMENT OF FINANCIAL POSITION
30 April 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	9	41,536	46,951
Tangible assets	10	<u>369,466</u>	<u>421,190</u>
		411,002	468,141
CURRENT ASSETS			
Stocks	11	2,027,207	2,065,207
Debtors	12	2,690,548	3,357,956
Cash at bank and in hand		<u>307,181</u>	<u>139,605</u>
		5,024,936	5,562,768
CREDITORS			
Amounts falling due within one year	13	<u>2,821,555</u>	<u>3,309,078</u>
NET CURRENT ASSETS		<u>2,203,381</u>	<u>2,253,690</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,614,383	2,721,831
CREDITORS			
Amounts falling due after more than one year	14	(43,846)	(29,488)
PROVISIONS FOR LIABILITIES	18	<u>(39,203)</u>	<u>(41,902)</u>
NET ASSETS		<u>2,531,334</u>	<u>2,650,441</u>
CAPITAL AND RESERVES			
Called up share capital	19	1,000	1,000
Retained earnings	20	<u>2,530,334</u>	<u>2,649,441</u>
SHAREHOLDERS' FUNDS		<u>2,531,334</u>	<u>2,650,441</u>

The financial statements were approved by the Board of Directors and authorised for issue on 18/11/2021 and were signed on its behalf by:


.....
P McGuinness - Director

The notes form part of these financial statements

ATG AIRPORTS LIMITED
STATEMENT OF CHANGES IN EQUITY
for the Year Ended 30 April 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2019	1,000	2,455,033	2,456,033
Changes in equity			
Total comprehensive income	-	194,408	194,408
Balance at 30 April 2020	1,000	2,649,441	2,650,441
Changes in equity			
Total comprehensive loss	-	(119,107)	(119,107)
Balance at 30 April 2021	1,000	2,530,334	2,531,334

The notes form part of these financial statements

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 April 2021

1. STATUTORY INFORMATION

ATG Airports Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Whilst the company has reported an operating loss in 2021, largely as a result of reduced sales due to the Covid-19 pandemic, it has net assets of £2.5million. The company has taken advantage of Government schemes and incentives to alleviate losses. In addition, the Board and senior management have implemented a number of cost saving measures, including sadly some redundancies, to streamline the business.

Profit and loss projections and cash flow forecasts have been prepared to 2022/23, with cautious assumptions surrounding revenue streams. These indicate that the company will operate at a positive EBITDA level and not require any further external funding, whilst remaining within its current, agreed, banking facilities.

On this basis, along with recent management accounts figures, the directors are confident that the company will be able to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in these financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided and is shown net of VAT. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer, which is usually at the point the customer has signed for the goods.

Turnover from construction contracts is recognised by reference to the stage of completion, when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred for work performed to date, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract at the reporting end date.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Amounts recoverable on contracts, which are included in debtors, are stated at the net sales value of the work done after provisions for anticipated future losses on contracts. Payments on account received, as progress payments on a contract, are included in creditors.

Goodwill

Goodwill arising on a business acquired in 2008 has been capitalised and has now been fully amortised through the profit and loss account over its estimated useful life.

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 30 April 2021

2. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets comprising trademarks are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Trademarks are being amortised evenly over their estimated useful life of 10 years.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and any impairment losses.

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Plant and machinery	-20%	on reducing balance
Fixtures and fittings	-20% - 33%	on reducing balance
Motor vehicles	-25%	on reducing balance

Impairment of fixed assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset in prior periods. A reversal of an impairment loss is recognised immediately in the profit or loss.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment.

Government income

The company has claimed grant monies from HMRC as part of the Government furlough scheme. This is recognised in the period to which it relates.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and selling price less costs to sell, after making due allowance for obsolete and slow moving items.

Costs include all direct expenditure and an appropriate proportion of fixed and variable overheads.

Taxation

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

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

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 30 April 2021

2. ACCOUNTING POLICIES - continued

Deferred tax

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

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

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

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

Leases

Leases are classified as finance leases when they transfer substantially all the risks and rewards of ownership of the leased assets to the company. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the profit or loss on a straight-line basis over the lease term. The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

Pension costs and other post-retirement benefits

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

Borrowing costs

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

Financial instruments

Debt instruments that are payable or receivable within one year, typically trade creditors and debtors, are measured initially and subsequently at the undiscounted amount of the cash or other consideration that is expected to be paid or received.

Debt instruments like loans and other accounts payable and receivable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method unless the effect of discounting would be immaterial.

3. TURNOVER

The turnover and loss (2020 - profit) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by class of business is given below:

	2021 £	2020 £
Construction contracts	3,702,793	5,460,424
Supply of goods and services	5,189,838	6,089,815
	<u>8,892,631</u>	<u>11,550,239</u>

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2021

3. TURNOVER - continued

An analysis of turnover by geographical market is given below:

	2021	2020
	£	£
United Kingdom	5,644,661	7,823,954
Europe	1,357,927	1,380,126
South East Asia	984,322	1,003,579
Middle East	33,384	144,225
Australasia	604,936	1,055,383
Africa	75,267	(167,046)
North America	192,134	183,769
South America	-	126,249
	<u>8,892,631</u>	<u>11,550,239</u>

4. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	2,958,009	3,837,668
Social security costs	282,156	377,443
Other pension costs	128,126	140,801
	<u>3,368,291</u>	<u>4,355,912</u>

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

	2021	2020
Production	34	40
Technical	17	15
Sales, administration and management	<u>23</u>	<u>27</u>
	<u>74</u>	<u>82</u>

	2021	2020
	£	£
Directors' remuneration	236,584	327,110
Directors' pension contributions to money purchase schemes	<u>37,600</u>	<u>30,066</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2021	2020
Money purchase schemes	<u>4</u>	<u>4</u>

Information regarding the highest paid director is as follows:

	2021	2020
	£	£
Emoluments etc	82,822	88,286
Pension contributions to money purchase schemes	<u>4,200</u>	<u>4,200</u>

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2021

5. NON RECURRING COSTS

During the year due to the ongoing effects of the pandemic there have been a number of redundancies. The total cost of the redundancies was £115,349.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank interest	9,693	11,364
Hire purchase interest	<u>4,523</u>	<u>4,610</u>
	<u>14,216</u>	<u>15,974</u>

7. (LOSS)/PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	2021	2020
	£	£
Hire of plant and machinery	28,191	51,445
Depreciation - owned assets	82,998	100,531
Depreciation - assets on hire purchase contracts	29,269	25,765
Trademarks amortisation	5,836	5,826
Loss on disposal of fixed assets	8,316	37,729
Auditors' remuneration - audit services	20,000	20,000
- accountancy and tax	8,475	18,175
Government income	<u>(598,493)</u>	<u>(80,064)</u>

8. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the loss for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	(74,221)	14,147
Over provision in prior years	<u>(811)</u>	<u>15,548</u>
Total current tax	<u>(75,032)</u>	<u>29,695</u>
Deferred tax:		
Current year deferred tax	(3,063)	(5,184)
Prior year deferred tax	<u>364</u>	<u>(3,544)</u>
Total deferred tax	<u>(2,699)</u>	<u>(8,728)</u>
Tax on (loss)/profit	<u>(77,731)</u>	<u>20,967</u>

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 30 April 2021

8. TAXATION - continued

Reconciliation of total tax (credit)/charge included in profit and loss

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

	2021 £	2020 £
(Loss)/profit before tax	<u>(196,838)</u>	<u>215,375</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(37,399)	40,921
Effects of:		
Expenses not deductible for tax purposes	964	6,650
Income not taxable for tax purposes	(180)	-
Fixed asset differences	190	190
Additional deduction for R&D expenditure	(40,859)	(38,798)
Adjustments to tax charge in respect of previous periods	(811)	6,048
Adjust opening deferred tax to average rate	-	5,956
Adjustments to tax charge in respect of previous periods - deferred tax	<u>364</u>	<u>-</u>
Total tax (credit)/charge	<u>(77,731)</u>	<u>20,967</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill £	Trademarks £	Totals £
COST			
At 1 May 2020	2,956,123	64,072	3,020,195
Additions	<u>-</u>	<u>421</u>	<u>421</u>
At 30 April 2021	<u>2,956,123</u>	<u>64,493</u>	<u>3,020,616</u>
AMORTISATION			
At 1 May 2020	2,956,123	17,121	2,973,244
Amortisation for year	<u>-</u>	<u>5,836</u>	<u>5,836</u>
At 30 April 2021	<u>2,956,123</u>	<u>22,957</u>	<u>2,979,080</u>
NET BOOK VALUE			
At 30 April 2021	<u>-</u>	<u>41,536</u>	<u>41,536</u>
At 30 April 2020	<u>-</u>	<u>46,951</u>	<u>46,951</u>

ATG AIRPORTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2021**

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 May 2020	506,035	468,988	261,496	1,236,519
Additions	2,460	26,858	55,830	85,148
Disposals	-	(2,256)	(93,351)	(95,607)
At 30 April 2021	<u>508,495</u>	<u>493,590</u>	<u>223,975</u>	<u>1,226,060</u>
DEPRECIATION				
At 1 May 2020	342,440	332,358	140,531	815,329
Charge for year	35,863	44,924	31,480	112,267
Eliminated on disposal	-	(1,818)	(69,184)	(71,002)
At 30 April 2021	<u>378,303</u>	<u>375,464</u>	<u>102,827</u>	<u>856,594</u>
NET BOOK VALUE				
At 30 April 2021	<u>130,192</u>	<u>118,126</u>	<u>121,148</u>	<u>369,466</u>
At 30 April 2020	<u>163,595</u>	<u>136,630</u>	<u>120,965</u>	<u>421,190</u>

The net book value of tangible fixed assets includes £133,938 (2020 - £125,864) in respect of assets held under hire purchase contracts.

11. STOCKS

	2021 £	2020 £
Stores and consumables	1,924,397	1,984,702
Work-in-progress	<u>102,810</u>	<u>80,505</u>
	<u>2,027,207</u>	<u>2,065,207</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	1,492,877	2,492,975
Amounts owed by group undertakings	320,946	-
Amounts recoverable on contracts	581,005	686,025
Directors' current accounts	18,000	27,000
Tax	68,242	-
Prepayments	<u>209,478</u>	<u>151,956</u>
	<u>2,690,548</u>	<u>3,357,956</u>

ATG AIRPORTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2021**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 15)	924,291	267,106
Hire purchase contracts (see note 16)	53,235	46,857
Payments on account	614,791	444,868
Trade creditors	766,215	1,212,975
Amounts owed to group undertakings	-	164,768
Taxation	-	18,987
Social security and other taxes	241,732	402,922
Directors' current accounts	107,827	-
Accrued expenses	<u>113,464</u>	<u>750,595</u>
	<u><u>2,821,555</u></u>	<u><u>3,309,078</u></u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Hire purchase contracts (see note 16)	<u>43,846</u>	<u>29,488</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>924,291</u>	<u>267,106</u>

The company has a bank overdraft facility at an interest rate of 2% over Base Rate.

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	53,235	46,857
Between one and five years	<u>43,846</u>	<u>29,488</u>
	<u><u>97,081</u></u>	<u><u>76,345</u></u>
	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	236,247	273,476
Between one and five years	<u>130,407</u>	<u>209,976</u>
	<u><u>366,654</u></u>	<u><u>483,452</u></u>

ATG AIRPORTS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 30 April 2021

17. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank overdrafts	924,291	267,106
Hire purchase contracts	<u>97,081</u>	<u>76,345</u>
	<u><u>1,021,372</u></u>	<u><u>343,451</u></u>

Assets acquired under lease agreements are secured on the assets to which they relate.

Any bank overdraft incurred by the company is secured by an Unscheduled Mortgage Debenture incorporating a fixed and floating charge over all current and future assets of the company.

A Composite Guarantee exists between the company and its parent, ATG UK Limited, its intermediate parent, Transportation Infrastructure Group Limited, the ultimate parent company, PPJC Holdings Limited and the company's subsidiary, ATG Airports (Products) Limited.

18. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	40,740	44,353
Other timing differences	<u>(1,537)</u>	<u>(2,451)</u>
	<u><u>39,203</u></u>	<u><u>41,902</u></u>

	Deferred tax £
Balance at 1 May 2020	41,902
Credit to Statement of Comprehensive Income during year	<u>(2,699)</u>
Balance at 30 April 2021	<u><u>39,203</u></u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021	2020
Number:	Class:	Nominal value:	£	£
1,000	Ordinary	£1	<u><u>1,000</u></u>	<u><u>1,000</u></u>

ATG AIRPORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 30 April 2021

20. RESERVES

	Retained earnings £
At 1 May 2020	2,649,441
Deficit for the year	<u>(119,107)</u>
At 30 April 2021	<u>2,530,334</u>

The retained earnings reserve includes all current and prior period retained profits and losses.

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for its directors, senior management and other eligible employees. The assets of the scheme are held separately from those of the company in independently administered funds. Contributions to the scheme for the year amounted to £128,126 (2020 - £140,801) and as at the year end there were £Nil (2020 - £20,972) of unpaid contributions.

22. ULTIMATE PARENT COMPANY

The company's parent company is ATG UK Limited and the company's ultimate parent company is PPJC Holdings Limited, both companies are registered in England and Wales.

PPJC Holdings Limited is under the control of its directors.

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 April 2021 and 30 April 2020:

	2021 £	2020 £
P McGuinness		
Balance outstanding at start of year	27,000	-
Amounts advanced	-	36,000
Amounts repaid	(9,000)	(9,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>18,000</u>	<u>27,000</u>

24. RELATED PARTY DISCLOSURES

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