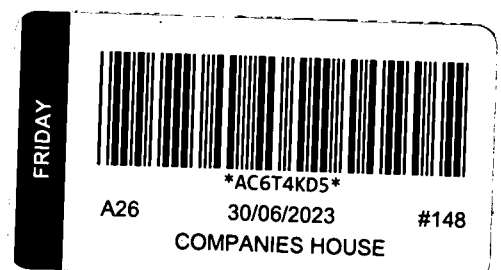


Registration number: 03101747

Air Products Group Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2022



Air Products Group Limited

Contents

Strategic Report	1 to 2
Directors' Report	3 to 4
Directors' responsibilities statement	5
Independent auditor's report to the members of Air Products Group Limited	6 to 9
Profit and Loss Account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 23

Air Products Group Limited

Strategic Report for the Year Ended 30 September 2022

The strategic report has been prepared in accordance with Companies Act 2006.

Principal activity and business review

The principal activity of the company continues to be that of an intermediate holding company for the Air Products & Chemicals, Inc. UK and Ireland Group. Its principal subsidiaries' activities are the manufacture and sale of industrial gases and related products for their production and use.

The profit for the year ended 30 September 2022 was £16,006,000 (2021: £17,822,000). Similar to prior year, the profit in the current year was a result of dividend income received of £18,041,000 (2021: £19,000,000).

Principal risks and Uncertainties

The company aims to manage financial risks to avoid potential negative impacts on results.

Cash flow risks

The company participates in a group cash pooling arrangement to minimise cashflow based risks.

Credit risk

The company's principal financial assets are bank balances, cash, and investments.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-ratings agencies.

The company has no significant concentration of credit risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company participates in a group cash pooling arrangement.

Investment risk

The company faces investment risk related to the impairment of underperforming subsidiary undertakings. This is monitored through impairment reviews to confirm the carrying value of investments.

Air Products Group Limited

Strategic Report for the Year Ended 30 September 2022

Key Performance Indicators

The company does not trade and its principal objective is to act as a holding company for the Air Products UK and Ireland group. As such, no key performance indicators are used to monitor performance.

Future developments

The main objective of the company is to continue in its capacity as a holding company for the Air Products UK and Ireland group for the foreseeable future.

Environmental matters

The company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to mitigate any adverse impact that might be caused by its activities. Initiatives aimed at minimising the company's impact on the environment include safe disposal of waste, recycling and reducing energy consumption.

The company is outside of the scope of the Streamlined Energy and Carbon Reporting (SECR) requirements.

Section 172 statement

The directors are aware of their duty under section 172(1) (a) to (f) of the Companies Act 2006 to act in a manner they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, to have regard (amongst other matters) to:

a) the likely consequences of any decision in the long term;

The directors understand what is needed to be successful and meet the group's long term strategic goals of becoming the safest, most diverse and most profitable industrial gas company in the world, providing excellent service to customers. Management meets on a regular basis to formulate a long-term plan in line with strategic objectives, taking into consideration impacts on stakeholders.

b) the interests of the company's employees;

The company does not have any employees.

c) the need to foster the company's business relationships with suppliers, customers and others;

The company is a holding company and does not have any customers or suppliers.

d) the impact of the company's operations on the community and the environment;

The company is a holding company. The company aims to have a positive impact on the environment and community through the operations and activities of its subsidiaries.

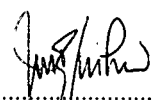
e) the desirability of the company maintaining a reputation for high standards of business conduct;

The directors view integrity as a core value of the group and expect all activities to be executed in an ethical manner. Commitment to this behaviour is reinforced through the company's code of conduct which identifies a clear framework. Annual trainings are completed to ensure that standards are both met and maintained on an ongoing basis; and

(f) the need to act fairly as between members of the company.

The company is a wholly owned subsidiary of Prodair Corporation.

Approved by the Board on 30th June 2023 and signed on its behalf by:


.....
J. Escorihuela
Director

Air Products Group Limited

Directors' Report for the Year Ended 30 September 2022

(Registered number 03101747)

The directors present their annual report and the audited financial statements for the year ended 30 September 2022.

Directors of the company

The directors who held office during the year and up to date of this report were as follows:

C. Stinner (resigned 15 December 2021)

D. Leney (resigned 15 February 2022)

J. Escorihuela (appointed 15 February 2022)

M. Schaeffer

B. Hussa (appointed 15 December 2021)

Dividends

The company received a £18,041,000 dividend in 2022 (2021: £19,000,000). The company paid dividends in the year of £18,000,000 (2021: £19,000,000)

Policy and practice on payment

The group policy on the payment of creditors is to settle the terms of the payment with those suppliers when agreeing the terms of each transaction; ensure that those suppliers are made aware of the terms of the payment and abide by the terms of payment.

Political donations

The company made no political contributions during the year (2021: nil).

Employees

The company has no employees.

Air Products Group Limited

Directors' Report for the Year Ended 30 September 2022

Going concern

The company currently has a net current liability position due to loans payable to other group entities. As a result, a letter of support has been provided by ultimate parent entity Air Products & Chemicals, Inc. The directors are satisfied that there are sufficient resources available under this facility to meet all financial requirements in the 12-month period from the date of signing these financial statements and as a result these financial statements are prepared on a going concern basis.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's Auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

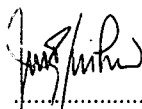
Financial management and Future Developments

Future developments and details of the companies approach to managing financial risks are included in the strategic report, and form part of this report by cross reference.

Auditors

Deloitte LLP have expressed their willingness to continue in office as auditor and will be proposed for reappointment at the next Annual General Meeting.

Approved by the Board on 30th June 2023 and signed on its behalf by:



J. Escorihuela
Director

Registered office:
Hersham Place Technology Park
Molesey Road
Walton-on-Thames
Surrey
United Kingdom
KT12 4RZ

Air Products Group Limited

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report 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 FRS 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Air Products Group Limited

Independent Auditor's Report to the Members of Air Products Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Air Products Group Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

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).

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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.

Air Products Group Limited

Independent Auditor's Report to the Members of Air Products Group Limited

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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.

Auditor 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Air Products Group Limited

Independent Auditor's Report to the Members of Air Products Group Limited

Extent to which the audit was considered capable of detecting irregularities, including fraud

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 considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

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

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Air Products Group Limited

Independent Auditor's Report to the Members of Air Products Group Limited

Report on other legal and regulatory requirements

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.
- the directors were not entitled to take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

We have nothing to report in respect of these matters.

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.

.....
Chris Wademan FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Newcastle upon Tyne
United Kingdom

Date: 30 June 2023

Air Products Group Limited

Profit and Loss Account for the Year Ended 30 September 2022

	Note	2022 £ 000	2021 £ 000
Administrative expenses		(13)	-
Operating loss	2	(13)	-
Dividends Received	4	18,041	19,000
Released provision		-	775
Interest receivable and similar income	5	1	-
Interest payable and similar expenses	6	(2,537)	(1,807)
Profit before tax		15,492	17,968
Taxation	8	1,114	(146)
Profit for the financial year		16,606	17,822

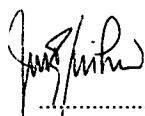
All results derive from continuing operations.

There are no recognised gains or losses in the current or prior year other than those charged to the profit and loss account and therefore no statement of comprehensive income has been presented.

Air Products Group Limited
(Registration number: 03101747)
Balance Sheet as at 30 September 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Investments	9	653,162	653,162
Current assets			
Debtors	10	1,218	211
Cash at bank and in hand		380	244
		1,598	455
Creditors: Amounts falling due within one year	11	(2,735)	(2,264)
Net current liabilities		(1,137)	(1,809)
Total assets less current liabilities		652,025	651,353
Creditors: Amounts falling due after more than one year	11	(210,748)	(208,682)
Net assets		441,277	442,671
Capital and reserves			
Called up share capital	12	167,204	167,204
Other reserves		55,163	55,163
Profit and loss account		218,910	220,304
Total equity		441,277	442,671

Approved and authorised by the Board on 30th June 2023 and signed on its behalf by:



.....
J. Escorihuela
Director

Air Products Group Limited

Statement of Changes in Equity for the Year Ended 30 September 2022

	Share capital	Other reserves	Profit and loss	Total
	£ 000	£ 000	account	£ 000
	£ 000	£ 000	£ 000	£ 000
At 1 October 2020	167,204	55,163	221,482	443,849
Profit for the year	-	-	17,822	17,822
Total comprehensive income	-	-	17,822	17,822
Dividends	-	-	(19,000)	(19,000)
At 30 September 2021	167,204	55,163	220,304	442,671

	Share capital	Other reserves	Profit and loss	Total
	£ 000	£ 000	account	£ 000
	£ 000	£ 000	£ 000	£ 000
At 1 October 2021	167,204	55,163	220,304	442,671
Profit for the year	-	-	16,606	16,606
Total comprehensive income	-	-	16,606	16,606
Dividends	-	-	(18,000)	(18,000)
At 30 September 2022	167,204	55,163	218,910	441,277

The notes on pages 13 to 23 form an integral part of these financial statements.

Air Products Group Limited

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

Air Products Group Limited (the 'company') is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The company's registered address is Hersham Place Technology Park Molesey Road, Hersham, Walton On Thames, Surrey, KT12 4RZ, United Kingdom. The principal activity of the company continues to be that of an intermediate holding company for the Air Products & Chemicals, Inc. UK and Ireland Group.

These financial statements were prepared in accordance with Financial Reporting Standard (FRS 102) issued by the Financial Reporting Council. The functional and presentation currency of these financial statements is sterling as that is the currency of the primary economic environment in which the company operates. All amounts in the financial statements have been rounded to the nearest £1,000.

Basis of preparation

These financial statements are prepared on a going concern basis. The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts as the company is included in the consolidated accounts of its ultimate parent undertaking. These financial statements present information about the company as an individual undertaking and not about its group. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Air Products and Chemicals, Inc. The address of the parent's registered office is Air Products and Chemicals, Inc, 7201 Hamilton Boulevard, Allentown, Pennsylvania 18195 - 1501.

Measurement convention

These financial statements have been prepared using the historical cost convention.

Summary of disclosure exemptions

The consolidated financial statements of Air Products and Chemicals Inc are prepared in accordance with US Generally Accepted Accounting Principles and are available to the public. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures.

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flow, on the basis that it is a qualifying entity and its parent company, Air Products and Chemicals Inc. includes the company's cash flow in its own consolidated financial statements.

The company has taken advantage of the exemption, under FRS 102 para 33.7 from disclosing total compensation of key management personnel. The company has taken advantage of the exemption for qualifying entities from certain financial instruments disclosures, on the basis that the equivalent disclosures are included in the consolidated financial statements of Air Products and Chemicals Inc., the ultimate parent company.

The company has taken advantage of the exemption, under FRS 33.1 (a), from disclosing related party transactions as they are all with other companies that are wholly owned by Air Products and Chemicals Inc.

The consolidated financial statements of the ultimate parent Air Products and Chemicals Inc., within which this company is included, can be obtained from the company's registered office (see Note 13).

Air Products Group Limited

1 Accounting policies (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. No sources of estimation uncertainty have been identified.

Critical accounting policies and judgements

Accounting for the carrying value of fixed asset investments requires judgment on the underlying economic value of the respective businesses of the company's subsidiary undertakings. Where indicators of impairment are identified, impairment reviews are carried out using measures such as total net assets, EBITDA multiples and discounted cash flow models to ascertain if current carrying values are appropriate. Where the impairment assessment gives indication of an impairment, the appropriate impairment is recorded against the investment cost. The carrying value of investments was £653,162,000 at 30 September 2022 (2021: £653,162,000). No impairments were recognised during the year (2021: £nil).

Going concern

The company currently has a net current liability position due to loans payable to other group entities. As a result, a letter of support has been provided by ultimate parent entity Air Products & Chemicals, Inc. The directors are satisfied that there are sufficient resources available under this facility to meet all financial requirements in the 12-month period from the date of signing these financial statements and as a result these financial statements are prepared on a going concern basis.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and the gains or losses on translation are included in the profit and loss account. If the transaction is hedged forward, the gains or losses arising on completion of this contract are recognised on the date of completion in the profit and loss account.

Foreign exchange gains or losses on fixed income instruments which have corresponding derivative contracts are included in the profit and loss account under other income receivable/payable and similar income/charges to enable reporting of the net effect of all contracts on the company's financial position.

Air Products Group Limited

1 Accounting policies (continued)

Basic Financial instruments

Other debtors / creditors

Other debtors are recognised initially at transaction price less attributable transaction costs. Other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Investments in subsidiaries, jointly controlled entities and associates

These are separate financial statements of the company. Investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment, with any impairment losses recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 102.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Air Products Group Limited

1 Accounting policies (continued)

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Dividend paid

Dividends paid are recognised in equity on the date the dividend has been paid.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Dividend income

Dividend income is recognised in the profit and loss account on the date the company's right to receive payment is established.

Interest Payable

Interest payable and similar expense includes interest payable and foreign exchange losses. Interest payable is recognised in profit and loss account as it accrues using the effective interest method.

Interest Receivable

Interest receivable and similar income includes interest receivable and foreign exchange gains. Interest receivable is recognised in profit and loss account as it accrues using the effective interest method.

Impairment

The carrying amounts of the Company's assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its income-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of income-generating units are allocated first to reduce the carrying amount of any goodwill allocated to income-generating units, then to any capitalised intangible asset and finally to the carrying amount of the tangible assets in the unit on a pro rata or more appropriate basis. An income generating unit is the smallest identifiable group of assets that generates income that is largely independent of the income streams from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount of fixed assets is the greater of their net realisable value and value in use. In assessing value in use, the expected future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the rate of return expected on an equally risky investment. For an asset that does not generate largely independent income streams, the recoverable amount is determined for the income-generating unit to which the asset belongs.

Air Products Group Limited

1 Accounting policies (continued)

Reversals of impairment

For other fixed assets where the recoverable amount increases as a result of a change in economic conditions or in the expected use of the asset then the resultant reversal of the impairment loss should be recognised in the current period.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Other reserves

Other reserve included within equity represents capital contributions received in 2001 and 2005.

2 Operating loss

Arrived at after charging

	2022 £ 000	2021 £ 000
<i>Auditor's remuneration</i>		
Audit of these financial statements	15	9

No non-audit services were provided by the company's auditors in the current or prior year.

3 Directors' remuneration

Directors received no emoluments in connection with their services as a director of the company during the year (2021: £nil).

4 Income from other fixed asset investments

	2022 £ 000	2021 £ 000
Dividends from fixed asset investments	18,041	19,000

5 Other interest receivable and similar income

	2022 £ 000	2021 £ 000
Foreign exchange gain on cash and cash equivalents	1	-

Air Products Group Limited

6 Interest payable and similar expenses

	2022 £ 000	2021 £ 000
Foreign exchange loss on cash and cash equivalents	-	11
Interest payable on loans from group undertakings	2,537	1,775
Foreign exchange loss on provision	-	21
	<u>2,537</u>	<u>1,807</u>

7 Staff costs

The company has no employee costs as it relies on other group entities for the provision of administrative and management services. No salaries or wages have been paid to employees during the year as staff costs are borne by other group entities.

8 Taxation

Tax charged/(credited) in the profit and loss account

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax adjustment to prior periods	(477)	-
Deferred taxation		
Arising from origination and reversal of timing differences	(637)	225
Arising from changes in tax rates and laws	-	(84)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	-	5
Total deferred taxation	<u>(637)</u>	<u>146</u>
Tax (credit)/charge in the income statement	<u>(1,114)</u>	<u>146</u>

Air Products Group Limited

8 Taxation (continued)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Profit before tax	15,492	17,968
Corporation tax at standard rate (19%)	2,943	3,414
Effect of expense not deductible in determining taxable profit	(3,427)	(3,610)
Adjustment in respect of prior periods	(477)	5
Tax increase arising from group relief	-	363
Other tax effects for reconciliation between accounting loss and tax charge/(credit)	(153)	(26)
Total tax (credit)/charge	(1,114)	146

The UK government announced in the 2021 March budget, an increase in the standard rate of corporation tax from 19% to 25% effective from 1 April 2023. Deferred taxes on the Balance Sheet have been measured at 25% which represents the future corporation tax rate that was enacted at the Balance Sheet date. The changes introduced in Finance Bill 2021 which were substantially enacted on the 24 May 2021, set the main rate of corporation tax at 25% for financial year 2023 for profits above £250,000 and establishes a small profits rate of 19% for profits below £50,000. Marginal relief provisions will be introduced so that, where a company's profits fall between the lower and upper limits, it will be able to claim an amount of marginal relief that bridges the gap between the lower and upper limits providing a gradual increase in the Corporation Tax rate.

Deferred tax balances presented in these financial statements have been measured at the rates specified above given that these were substantively enacted as of the balance sheet date.

Deferred tax

	Asset £ 000
2022	
At beginning of year	116
Charge to the profit and loss for the year	(2)
	114
2021	
At beginning of year	251
Charge to the profit and loss for the year	(219)
Effect of change in tax rate from 19% to 25%	84
	116

Air Products Group Limited

9 Investments in subsidiaries, joint ventures and associates

Details of subsidiary undertakings

Cost and carrying value	£ 000
At 1 October 2021	629,222
At 30 September 2022	629,222

Details of associates undertakings

Cost and carrying value	£ 000
At 1 October 2021	23,940
At 30 September 2022	23,940

Total investments

Cost and carrying value	£ 000
At 1 October 2021	653,162
At 30 September 2022	653,162

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held		
			2022	2021	
Subsidiary undertakings					
Air Products Limited	(BR)Hersham Place Technology Park, Molesey Road, Walton-on-Themes, Surrey, KT12 4RZ, Great Britain	Directly	100%	100%	
Air Products PLC	Hersham Place Technology Park, Molesey Road, Walton-on-Themes, Surrey, KT12 4RZ, Great Britain	Directly	100%	100%	
Air Products Limited	IrelandAir Products Ireland Limited, Unit 950, Western Industrial Estate, Killeen Road, Dublin 12, Ireland	Indirectly	100%	100%	
Air Renewable Energy Limited	ProductsHersham Place Technology Park, Molesey Road, Walton-on-Themes, Surrey, KT12 4RZ, Great Britain	Indirectly	100%	100%	

Air Products Group Limited

9 Investments in subsidiaries, joint ventures and associates (continued)

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
SIG Industrial Gases Limited	Westfield, Newbiggin Lane, Westerhope, Newcastle Upon Tyne, NE5 1LX, Great Britain	Indirectly	100%	100%
Cryoservice Limited	Hersham Place Technology Park, Molesey, Road, Walton On Thames, Surrey, KT12, 4RZ, Great Britain	Indirectly	100%	100%
Gas Direct Ltd	White House Farm, Valley Lane Long, Bennington, Newark, Nottinghamshire, NG23 5EE, Great Britain	Indirectly	100%	100%
Air Products Equipment Limited	White House Farm, Valley Lane Long, Bennington, Newark, Nottinghamshire, NG23 5EE, Great Britain	Indirectly	100%	100%
Gas Direct Cymru Cyf	The Old Coalyard, Glandon Industrial Estate, Pwllheli, Gwynedd, LL53 5YT, Great Britain	Indirectly	100%	100%
M&M Gases Limited	Hersham Place Technology Park, Molesey, Road, Walton On Thames, Surrey, KT12, 4RZ, Great Britain	Indirectly	100%	100%
Been Gas Cymru Cyf	The Old Coal Yard, Glanydon Industrial Estate, Pwllheli, Gwynedd, LL53 5YT, Great Britain	Indirectly	100%	100%
Air Products Yanbu Limited	Hersham Place Technology Park, Molesey, Road, Walton On Thames, Surrey, KT12, 4RZ, Great Britain	Indirectly	0%	100%
Air Products Yanbu Limited was dissolved on 22 nd February 2022.				
Joint ventures				
Air Products Llanwern Limited	Hersham Place Technology Park, Molesey Road, Walton-on-Thames, Surrey, KT12 4RZ, Great Britain	Indirectly	50%	50%
Associates				
Inversiones Productos Limitada	AirMiraflores 222, Santiago, Región Metropolitana, Chile	Directly	11.5%	11.5%
Air Products and Chemicals de Mexico S.A. de C.V.	Pasaje Interlomas n.16, Interlomas, Huixquilucan, CP 52760, Mexico	Directly	21%	21%

The principal activity of all undertakings is industrial gases. The class of shares held for all investments is Ordinary.

Air Products Group Limited

10 Debtors

	Note	2022 £ 000	2021 £ 000
Amounts owed by related parties		-	10
Other debtors		-	2
Deferred tax assets	8	1,218	104
Income tax asset	8	-	95
		<u>1,218</u>	<u>211</u>

Related party transactions are at arm's length at interest rates equivalent to market rate.

11 Creditors

	2022 £ 000	2021 £ 000
Due within one year		
Amounts owed to group undertakings	2,711	2,253
Accruals and deferred income	24	11
	<u>2,735</u>	<u>2,264</u>
Due after one year		
Amounts owed to group undertakings	<u>210,748</u>	<u>208,682</u>

Intercompany loan transactions are at arm's length at interest rates equivalent to market rate.

12 Share capital

Authorised, allotted, called up and fully paid shares

	2022		2021	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares A of £1 each	167,204	167,204	167,204	167,204

The Company has one class of ordinary shares which carry no right to fixed income.

Air Products Group Limited

13 Parent and ultimate parent undertaking

The company's immediate parent company is Prodair Corporation, a company incorporated in Great Britain. The company is a subsidiary undertaking of Air Products and Chemicals Inc, which is its ultimate parent and controlling party. Air Products and Chemicals Inc is incorporated in Delaware, USA.

The largest and the smallest group in which the results of the company are consolidated is that headed by Air Products and Chemicals, Inc., the ultimate controlling party and a company incorporated in the State of Delaware, USA. The address of the smallest and largest undertaking is the same and is mentioned below. The consolidated financial statements of this group are available to the public and may be obtained from its registered office:

Corporate Secretary
Air Products and Chemicals, Inc.
7201 Hamilton Boulevard
Allentown
Pennsylvania 18195 - 1501