

REGISTERED NUMBER: 09513718 (England and Wales)

**ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020
FOR
EMICO HOLDINGS LIMITED**



Deighan Perkins LLP
Chartered Accountants
Statutory Auditors
1st Floor, Commerce House
1 Raven Road
South Woodford
London
E18 1HB

EMICO HOLDINGS LIMITED

CONTENTS OF THE ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	6
Report of the Independent Auditors	8
Consolidated Income Statement	10
Consolidated Other Comprehensive Income	11
Consolidated Statement of Financial Position	12
Company Statement of Financial Position	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16
Notes to the Consolidated Financial Statements	17

EMICO HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 JUNE 2020

DIRECTORS:

D G Perrotton
J A Barry

REGISTERED OFFICE:

1st Floor
Forsyth House
39 Mark Road
Hemel Hempstead
Hertfordshire
HP2 7DN

REGISTERED NUMBER:

09513718 (England and Wales)

AUDITORS:

Deighan Perkins LLP
Chartered Accountants
Statutory Auditors
1st Floor, Commerce House
1 Raven Road
South Woodford
London
E18 1HB

EMICO HOLDINGS LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020

The directors present their strategic report for the year ended 30 June 2020.

PRINCIPLE ACTIVITY

The group operates as a specialist Design, Electrical (HV, DC, LV), Mechanical, Fire and Comms Contractor, offering specialist delivery and installation capabilities for Infrastructure Sectors. The group operates nationally with a high proportion of projects being concentrated in and around London and the Southeast, however we are seeing a significant shift to growth areas outside the South East, such as the South West, North West & Wales. We have also invested in new promising business opportunities in the USA from which we should see some tangible results in due course.

REVIEW OF BUSINESS

Considering the very challenging trading background particularly with the negative impact of Covid -19 we are very pleased to announce very satisfactory and consistent results for our financial year. Indeed but for Covid -19 both our Revenues and Operating Profits would have been higher as many of our projects have been delayed rather than being lost. In addition major projects such as parts of HS2 were given the go-ahead during lockdown generating confidence in the sector. While Covid -19 presented short term challenges for the group the impact has been less than that on other businesses. We have taken advantage of the Government's Job Retention Scheme which minimised the impact on cash flow and profitability.

We have incurred Exceptional costs during the lock down period which are shown in the financial statements that in the main relate to ensuring our core staff remained employed during the period and the loss of productivity on projects due to inefficient working environment because of government and client restrictions.

Taking all the above into account the results represent a robust outcome for the group and in the current circumstances we are very encouraged by the resilience of the business in these very challenging times.

The key financial parameters are as follows:

	2019/2020	2018/2019
Revenues	£40m	£40.2m
Operational Profit	£2.3m	£2.3m
Cash	£17.5m	£14.4m
Net Worth	£15.6m	£14.8m
Group orders in hand	£36m	£50m

Order intake and engagement of new clients has been on the back of our strong name for project delivery. Over the last year the group have successfully forged new partnerships and exclusivity agreements with several Tier 1 companies within the sector. This will allow the group to follow opportunity pipelines proactively and "bring value added" to our Clients.

The group continue to win more projects on the IP Central Euston (HS2) project which is underpinned by our strong ability to deliver a quality product installation, within a live station environment.

HS2 is a key pipeline driver for the group and we are in various consortiums to deliver on both route and station works. We foresee strong work visibility in several locations over the coming 5 to 10 year period.

During the year we delivered Stevenage Station Network Rail where a new platform and track was constructed at Stevenage station allowing trains from the Hertford North line (known as the Hertford Loop) to terminate and undertake return journeys to London without using up capacity on the existing tracks. This will enable more services to run in future while improving resilience and reliability.

Our Fire business continues to grow working on the major projects at Paddington Station and Battersea and Nine Elms. Our focus is to integrate fire into an overall M&E services offering for our clients. We continue to see good fire opportunities in the marketplace.

EMICO HOLDINGS LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020

REVIEW OF BUSINESS (CONTINUED)

We are currently working with Costain in the refurbishment of Gatwick Airport Rail Station. This is a very prestigious project where we are engaged on a design and build basis to provide the full suite of Building Services - Electrical, Mechanical, Fire & Communications on this prestigious project. Although delayed by Covid-19 the project is planned to be complete in October 2022.

Telecommunications: We commenced a Comms division to support our one-stop-shop offering to our clients. This allows us to design and deliver Comms projects as part of our offering to customers. We have already delivered cross-estate fibre optic cabling to support Parliamentary Estate Data Interconnectivity at the Houses of Parliament. Additionally, we installed and commissioned station telecommunications at several stations. We continue to gain accreditation, competence and experience to expand our portfolio and secure future works. We are excited by the opportunity Telecoms can provide and believe that this will be a growth area for the group across several sectors. We foresee this as a welcome offering to our clients as it de-risks their projects with less interfaces and Supply Chain to manage.

As part of our goal to expand into other areas of the Rail Network including CP6 the focus for the business is around the South East, the West and Wales, East Anglia, North West and the North East.

Our projects at Northern Line Extension and the new Acton Depot for TfL are well on track for delivery and we have successfully completed one of the main key Crossrail projects at Paddington in the last year.

In the Renewables sector we have designed and are currently constructing one of TfL's first PV systems on the roof space above Acton depot. Power and Renewables will be one of the core focuses of our business over the next 2 to 3 years.

Our Fire business continues to grow working on the major projects at Paddington Station and Battersea and Nine Elms stations. Our focus is to integrate fire into an overall M&E services offering for our clients.

Telecommunications: The group continues to push forward on Comms, following the successful delivery of the Public Realm data works at the House of Parliament and we are in the process of bidding for their new frameworks.

Emico have also been awarded the Comms package at Gatwick Station and design and construction works are underway.

With the continuing impact of Covid -19 we expect trading conditions to be turbulent in FY21 but we are very much encouraged by the quality of our order book which should provide the basis for a reasonable return for this financial year with revenues on par with FY20.

Through strategic recruitment of key personnel, we continue to strengthen our competences to meet our commitment for safe and continual improvement across the business. This is best demonstrated in Health and Safety where we are focusing on human factors to reduce human error related incidents and to empower our people to lead and implement appropriate proactive solutions. In order to achieve this, we recognise that we must improve our communication at all levels of the business to prevent safety being compromised through miscommunication. We aim to use our improved communication process to create a positive awareness of key quality, safety, environmental and sustainability issues to cement our policies.

In further demonstration of our commitment to continually improve, we will be exploring BIM 19650 and ISO 27001 certification compliance and are confident that we will be transitioning from OHSAS 18001 to ISO 45001 in the new year. The business is continuing to support environmental change with our current focus on our actions to improve sustainability targets.

In the past year the group have updated a series of new virtual management tools and e-learning to increase company and project administration efficiency and aid "right first-time" delivery. Additionally, we have rolled out an e-learning platform, Skillsbite. This is an online learning system which provides access to any staff member with an internet connection. The Skillsbite system is a very powerful online staff development and performance management tool that delivers in excess of 1,400 courses.

EMICO HOLDINGS LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and execution of the group's strategy are subject to a few risks not least the on-going economic climate which continues to constrict investment into infrastructure projects and maintains pressure on preventative maintenance arrangements.

In addition to the current economic climate the key business risk and uncertainty is competition from both established companies and companies seeking to enter the market place from adjacent or complimentary markets. In such cases, potential clients can be caught out by new contractors who have little appreciation of the high standards demanded.

Management regularly review the financial requirements of the group and the risks associated therewith. Debtors are monitored on a monthly basis job by job to ensure cashflow streams continue and the risk of bad debts are minimised.

SECTION 172(1) STATEMENT

The Directors take their responsibilities to shareholders and stakeholders very seriously. During 2020, the Board reviewed the Group's main stakeholder groups and existing channels of engagement with each so that their views can be understood and considered in Board discussions and decision-making.

In addition to having regard to the interests of the Group's stakeholders, Directors also consider the impact of the Group's activities on the communities within which it operates, the environment and the Group's reputation. The Directors seek to act in good faith in the way most likely to promote the success of the Group for the benefit of its shareholders in the long term and to act fairly between all the Group's shareholders.

While the following subsections provide clarity a separate stand alone statement will be available on our website shortly.

(a) Long Term Decision Making: The group has set out a clear set of objectives for the continual development of the group with the decision-making process in meeting these objectives operating in the best interests of the business and its stakeholders. The group has in place several processes to ensure compliance with best practices to ensure that adherence to long term decision making is properly monitored.

(b) People Strategy: Our strategy is for our employees to recognise us as their employer of choice with one of our key objectives to ensure we consult them from a professional and personal perspective with regards to their specific requirements for training and advancement. We maintain a collaborative and engaged workforce, supported by effective learning, personal development and consistent demonstration of our values. We strive for our people to feel empowered, committed and loyal which will result in the development of high performing teams.

(c) Stakeholder Business Relationships: The business constantly reviews its relationships with stakeholders through proven channels of engagement with each. This constant assessment provides Directors with a renewed perspective of the Groups operations on stakeholders which we will continue to monitor. Feedback is collated and shared with the Board on a monthly basis.

(d) Sustainability: The group is committed to manage, improve and ensure we have a positive impact on our society and the environment. Our focus is to understand the needs of our stakeholders, deliver sustainable solutions and promote best practice. We recognise that our social, economic and environmental responsibilities to these stakeholders are integral to our business. We aim to demonstrate these responsibilities through our actions and within our corporate policies. Through active engagement with shareholders, customers, communities, colleagues and supply chain partners, we have developed our Corporate Social Responsibility Policy. This Policy is based on the 3 main principles i.e Relationships, Environment & The Future.

(e) Business Integrity: Built on our RITE (Respect, Integrity, Teamwork and Excellence) values we have created a Right First-Time culture across the business. This has been built up over a period of time on the underlying principles as set out in the Groups Code of Conduct supplemented by our Suppliers Charter. We continually strive to reinforce individual responsibility to provide a declaration with regard to their own behavior in regard to the Code of Contact and associated processes.

EMICO HOLDINGS LIMITED
GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 30 JUNE 2020

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the groups directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business. However, management monitor cashflow on each job on a monthly basis together with a Cost Control Summary report to monitor costs and profits.

FUTURE DEVELOPMENTS

The group continues to target niche areas of Infrastructure in the coming years and will focus on the following sectors

Airports
Manufacturing
Data Commissioning Projects
Renewable Energy
High Voltage
Diverse Fire Projects
Power and Transmission

The group has proven experience in these sectors and are actively engaged with potential client partners to significantly increase our exposure within these markets which we expect will secure a long-term future for the Group.

We will continue to review and strengthen our core people to maintain Operational Excellence in all elements of the business. eg. Procurement, Human Resources, Information Technology, Commercial, Quality and HSQE functions to underpin our growth strategy and improve Management Systems.

We are committed to investment in the training and development of our people by: -

- Continued focus on Health and Safety focusing our people on behavioural safety and promoting a culture of safe working practices. We continue to deliver appropriate training and insist on the highest safety standards,
- Clear priority to Project Management and Supervision Training, and
- Strengthening of the business processes as the Group continues to grow. This is manifested by the creation of Project Xcellence, to develop an in-house Emico Project Delivery System EPDS. This will develop the groups governance and operational processes to meet a set of key objectives centred around managing risk.

In terms of the individual markets in which we operate we occupy a good position thanks to the confidence of our clients and the hard work of our People and Supply Chain. We would like to thank all and in particular our People for their support not least during these very challenging Covid -19 times. We do see the market in FY21 to be quite challenging and will therefore continue to focus on client requirements and customer satisfaction which we believe will be the differentiator for our future success.

ON BEHALF OF THE BOARD:


.....
D G Perrotton - Director

Date: 10.11.20

EMICO HOLDINGS LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2020

The directors present their report with the financial statements of the company and the group for the year ended 30 June 2020.

DIVIDENDS

The total distribution of dividends for the year ended 30 June 2020 will be £584,652 (2019: £100,000).

The interim dividend of £4,846.52 per share was paid on the ordinary £1 shares on 31 March 2020. One shareholder elected to waive his right to the dividend.

The total distribution of dividends above includes £100,000 paid by its subsidiary.

RESEARCH AND DEVELOPMENT

The group encourages research and development investment. Research and development programs are managed to obtain a balance between improvements to existing products and development of new products. No costs were capitalised during the period (2019: £Nil).

DIRECTORS

The directors shown below have held office during the whole of the period from 1 July 2019 to the date of this report.

D G Perrotton
J A Barry

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 accounts receivable and payable and loans to related parties.

Debt instruments that are receivable or payable within one year, typically receivables or payables, are measured at the undiscounted amount of the cash and other consideration, expected to be received or paid.

Financial assets which are measured at cost and amortised cost are assessed at the end of each accounting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Other Comprehensive Income.

DONATIONS AND EXPENDITURE

During the year payments of a charitable nature amounted to £21,702 (2019: £17,420).

The group made no political donations or incurred any political expenditure during the year.

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

The company has chosen to set out information regarding engagement with suppliers, customers and others within the company's strategic report.

DISCLOSURE IN THE STRATEGIC REPORT

The group has chosen in accordance with section 414C(11) to set out information regarding the principal risks and future developments within the group's strategic report.

EMICO HOLDINGS LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 JUNE 2020**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Deighan Perkins LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



D G Perrotton - Director

Date:

10.11.20

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EMICO HOLDINGS LIMITED

Opinion

We have audited the financial statements of Emico Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows 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 group's and of the parent company affairs as at 30 June 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 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 in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF EMICO HOLDINGS LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page seven, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

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.

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.



Kevin Perkins FCA CTA (Senior Statutory Auditor)
for and on behalf of Deighan Perkins LLP

Chartered Accountants

Statutory Auditors

1st Floor, Commerce House

1 Raven Road

London

E18 1HB

Date: 16/11/2020

EMICO HOLDINGS LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	2019 £
REVENUE	4	40,025,701	40,247,293
Cost of sales		<u>(33,184,497)</u>	<u>(33,823,555)</u>
GROSS PROFIT		6,841,204	6,423,738
Administrative expenses		<u>(4,573,234)</u>	<u>(4,517,559)</u>
		2,267,970	1,906,179
Other operating income		<u>49,855</u>	<u>390,576</u>
OPERATING PROFIT PRE EXCEPTIONAL ITEMS	6	2,317,825	2,296,755
Exceptional item	8	(731,639)	(74,957)
Profit/loss on sale of invest	8	<u>-</u>	<u>5,872,464</u>
OPERATING PROFIT POST EXCEPTIONAL ITEMS		1,586,186	8,094,262
Income from fixed asset investments		12,002	13,345
Interest receivable and similar income		<u>86,421</u>	<u>64,300</u>
PROFIT BEFORE TAXATION		1,684,609	8,171,907
Tax on profit	9	<u>(334,775)</u>	<u>(189,816)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>1,349,834</u>	<u>7,982,091</u>

The notes form part of these financial statements

EMICO HOLDINGS LIMITED
CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		1,349,834	7,982,091
OTHER COMPREHENSIVE INCOME			
Fair value reserve		-	(10,646)
		<hr/>	<hr/>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		-	(10,646)
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,349,834</u>	<u>7,971,445</u>


The notes form part of these financial statements

EMICO HOLDINGS LIMITED (REGISTERED NUMBER: 09513718)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 JUNE 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	12	-	-
Property, plant and equipment	13	199,391	210,619
Investments	14	539,338	594,351
		<u>738,729</u>	<u>804,970</u>
CURRENT ASSETS			
Debtors	15	8,685,079	15,858,177
Cash at bank and in hand		17,515,615	14,484,614
		<u>26,200,694</u>	<u>30,342,791</u>
CREDITORS			
Amounts falling due within one year	16	(11,330,766)	(16,302,336)
NET CURRENT ASSETS		<u>14,869,928</u>	<u>14,040,455</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,608,657</u>	<u>14,845,425</u>
PROVISIONS FOR LIABILITIES	20	(37,051)	(39,001)
NET ASSETS		<u>15,571,606</u>	<u>14,806,424</u>
CAPITAL AND RESERVES			
Called up share capital	21	200	200
Other reserves	22	2,400,000	2,400,000
Fair value reserve	22	-	38,298
Retained earnings	22	13,171,406	12,367,926
SHAREHOLDERS' FUNDS		<u>15,571,606</u>	<u>14,806,424</u>

The financial statements were approved by the Board of Directors and authorised for issue on 10.11.20 and were signed on its behalf by:


J A Barry - Director

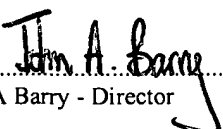
The notes form part of these financial statements

EMICO HOLDINGS LIMITED (REGISTERED NUMBER: 09513718)

**COMPANY STATEMENT OF FINANCIAL POSITION
30 JUNE 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Intangible assets	12	-	-
Property, plant and equipment	13	-	-
Investments	14	<u>200</u>	<u>200</u>
		<u>200</u>	<u>200</u>
CURRENT ASSETS			
Debtors	15	683,500	2,399,963
Cash at bank		<u>6,167,035</u>	<u>4,958,434</u>
		6,850,535	7,358,397
CREDITORS			
Amounts falling due within one year	16	<u>(197,722)</u>	<u>(217,618)</u>
NET CURRENT ASSETS		<u>6,652,813</u>	<u>7,140,779</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,653,013</u>	<u>7,140,979</u>
CAPITAL AND RESERVES			
Called up share capital	21	200	200
Retained earnings	22	<u>6,652,813</u>	<u>7,140,779</u>
SHAREHOLDERS' FUNDS		<u>6,653,013</u>	<u>7,140,979</u>
Company's (loss)/profit for the financial year		<u>(3,314)</u>	<u>7,160,623</u>

The financial statements were approved by the Board of Directors and authorised for issue on 10.11.20 and were signed on its behalf by:


J A Barry - Director

The notes form part of these financial statements

EMICO HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Called up share capital £	Retained earnings £	Other reserves £
Balance at 1 July 2018	200	4,485,835	2,400,000
Changes in equity			
Dividends	-	(100,000)	-
Total comprehensive income	-	7,982,091	-
Balance at 30 June 2019	<u>200</u>	<u>12,367,926</u>	<u>2,400,000</u>
Changes in equity			
Dividends	-	(584,652)	-
Transfer between reserves	-	38,298	-
Total comprehensive income	-	1,349,834	-
Balance at 30 June 2020	<u><u>200</u></u>	<u><u>13,171,406</u></u>	<u><u>2,400,000</u></u>
		Fair value reserve £	Total equity £
Balance at 1 July 2018		48,944	6,934,979
Changes in equity			
Dividends		-	(100,000)
Total comprehensive income		(10,646)	7,971,445
Balance at 30 June 2019		<u>38,298</u>	<u>14,806,424</u>
Changes in equity			
Dividends		-	(584,652)
Transfer between reserves		(38,298)	-
Total comprehensive income		-	1,349,834
Balance at 30 June 2020		<u><u>-</u></u>	<u><u>15,571,606</u></u>

The notes form part of these financial statements

EMICO HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2018	200	(19,844)	(19,644)
Changes in equity			
Total comprehensive income	<u>-</u>	<u>7,160,623</u>	<u>7,160,623</u>
Balance at 30 June 2019	<u>200</u>	<u>7,140,779</u>	<u>7,140,979</u>
Changes in equity			
Dividends	-	(484,652)	(484,652)
Total comprehensive loss	<u>-</u>	<u>(3,314)</u>	<u>(3,314)</u>
Balance at 30 June 2020	<u><u>200</u></u>	<u><u>6,652,813</u></u>	<u><u>6,653,013</u></u>

The notes form part of these financial statements

EMICO HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2020**

		2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	25	3,426,447	5,567,817
Tax paid		<u>(371,609)</u>	<u>(212,455)</u>
Net cash from operating activities		<u>3,054,838</u>	<u>5,355,362</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(49,753)	(110,273)
Purchase of fixed asset investments		(51,618)	(109,021)
Sale of fixed asset investments		82,260	95,812
Disposal of subsidiary		-	5,332,882
Cash in subsidiary disposed		-	(4,037,065)
Interest received		86,421	38,361
Dividends received		12,002	13,345
Investment management costs		<u>(5,243)</u>	<u>(5,104)</u>
Net cash from investing activities		<u>74,069</u>	<u>1,218,937</u>
Cash flows from financing activities			
Introduced/(withdrawn) by directors		486,746	(316,085)
Equity dividends paid		<u>(584,652)</u>	<u>(100,000)</u>
Net cash from financing activities		<u>(97,906)</u>	<u>(416,085)</u>
Increase in cash and cash equivalents		<u>3,031,001</u>	<u>6,158,214</u>
Cash and cash equivalents at beginning of year	26	<u>14,484,614</u>	<u>8,326,400</u>
Cash and cash equivalents at end of year	26	<u><u>17,515,615</u></u>	<u><u>14,484,614</u></u>

The notes form part of these financial statements

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. STATUTORY INFORMATION

Emico Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 09513718 and the registered office address is 1st Floor, Forsyth House, 39 Mark Road, Hemel Hempstead, Hertfordshire, HP2 7DN.

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 as modified by the revaluation of certain assets.

Basis of consolidation

The consolidated financial statements incorporate the amount of Emico Holdings Limited and all of its subsidiary undertakings as at the 30th June 2020 using the acquisition method of accounting. The results of subsidiary undertakings are included from the date of acquisition.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2016, is being amortised evenly over its estimated useful life of three years.

Intangible assets

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

Tangible fixed assets are stated at cost less provision for impairment and depreciation.

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 accounts receivable and payable and loans to related parties.

Debt instruments that are receivable or payable within one year, typically receivables or payables, are measured at the undiscounted amount of the cash and other consideration, expected to be received or paid.

Financial assets which are measured at cost and amortised cost are assessed at the end of each accounting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

2. ACCOUNTING POLICIES – continued

Financial instruments - continued

Cash and cash equivalents represents cash held and bank account balances.

The total interest income and total interest expense (calculated using the effective interest method) for financial assets and financial liabilities have been measured at fair value through the income statement.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

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.

Pension costs and other post-retirement benefits

The group contributes into a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the income statement in the period to which they relate.

Turnover and revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales tax.

The amount of profit attributable to the stage of completion of a long term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen, and are included in provisions for liabilities and charges.

Contract work in progress is stated at costs incurred, less those transferred to the profit and loss account, after deducting foreseeable losses and payments on account not matched with turnover.

Amounts recoverable on contracts are included in debtors and represent turnover recognised in excess of payments on account.

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

2. ACCOUNTING POLICIES - continued

Research and development

The group encourages research and development investment. Research and development programs are managed to obtain a balance between improvements to existing products and development of new products.

Expenditure on research and development is accounted for in the year to which it relates if it can be measured reliably at the year end date.

Fixed asset investments

The fixed asset investments are managed by Brewin Dolphin asset managers. Any losses or gains on disposals are recorded in the income statement in the year the transaction takes place.

Dividend income and interest received are recorded in the income statement in the year the monies are received.

The investments are carried in the financial statements at their market value.

Operating leases: lessee

Rentals paid under operating leases are charged to the income statement on a straight line basis over the period of the lease.

Debtors

Short term debtors are measured at transaction price, less any impairment.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including payables owing to other creditors, are measured initially at fair value, net of transaction costs.

Exceptional items

The group presents as exceptional items those significant items of income and expense which, because of their size, nature and infrequency of the events giving rise to them merit separate presentation to allow Shareholders to understand better the elements of financial performance in the period, so as to facilitate comparison with prior periods to assess trends in financial performance more readily. These items are primarily Covid-19 costs incurred during the Government enforced lockdown and phased site openings periods. There are also some non-recurring costs.

Going concern

The Board have been monitoring COVID-19 and managing the situation since March 2020. We have successfully introduced measures to ensure our sites and our people remain safe. After making full enquiries, the Directors have reasonable expectation that the Group has adequate financial resources to continue in existence for the foreseeable future. They have considered £17.5m cash and £36m orders in hand to be substantial in the group's success. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the Directors have made the following judgements:

Revenue recognition

The group's revenue recognition policy, set out above, is central to how the group values the work it has carried out each accounting period. The policy requires forecasts to be made of outcomes of long-term construction services and project management contracts, which require assessments and judgements to be made on the recovery of pre-contract costs, changes in the scope of work, contract programmes and changes in costs.

4. REVENUE

Revenue is derived from operating activities carried out in the United Kingdom.

5. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	6,528,373	5,338,620
Social and security	692,042	621,919
Other pension costs	<u>266,071</u>	<u>211,182</u>
	<u>7,486,486</u>	<u>6,171,721</u>

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

	2020	2019
Administrative and managerial	27	15
Operational	<u>85</u>	<u>61</u>
	<u>112</u>	<u>76</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 112 (2019 - 76).

	2020 £	2019 £
Directors' remuneration	421,911	482,407
Directors' pension contributions to money purchase schemes	<u>18,800</u>	<u>52,135</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2020 £	2019 £
Emoluments etc.	217,383	243,644
Pension contributions to money purchase schemes	<u>8,800</u>	<u>25,674</u>

EMICO HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

6. OPERATING PROFIT

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

	2020	2019
	£	£
Depreciation - owned assets	60,981	61,522
Loss/(profit) on disposal of fixed assets	13,715	(10,164)
Operating leases - motor vehicles	18,044	11,887
Other operating leases	<u>184,422</u>	<u>107,398</u>

7. AUDITORS' REMUNERATION

	2020	2019
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	21,480	23,720
Auditors' remuneration for non-audit work	<u>14,270</u>	<u>23,640</u>

	Year to 30/6/20 £	Period to 30/6/19 £
Fees payable to the company's auditors for the audit of the company's financial statements.	2,880	3,720
Fees payable to the company's auditor for the audit of the company's subsidiary companies	<u>18,600</u>	<u>20,000</u>
	<u>21,480</u>	<u>23,720</u>

The auditors' remuneration for non-audit work relates to other services.

8. EXCEPTIONAL ITEMS

	2020	2019
	£	£
Staff loans written off	-	15,665
Legal fees related to the above	-	5,994
Research and development tax claim professional fees	52,053	36,588
Bank fraud	-	16,710
CJRS grants received	(290,211)	-
Costs associated with Covid-19	<u>969,797</u>	<u>-</u>
	<u>731,639</u>	<u>74,957</u>

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

9. TAXATION

Analysis of the tax charge

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

	2020 £	2019 £
Current tax:		
UK corporation tax	336,725	474,976
Prior year taxes	-	(292,690)
Total current tax	336,725	182,286
Deferred tax	(1,950)	7,530
Tax on profit	<u>334,775</u>	<u>189,816</u>

Reconciliation of total tax charge included in profit and loss

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

	2020 £	2019 £
Profit before tax	<u>1,684,609</u>	<u>8,171,907</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	320,076	1,552,662
Effects of:		
Expenses not deductible for tax purposes	14,373	47,696
Income not taxable for tax purposes	325	(4,467)
Capital allowances in excess of depreciation	-	(9,486)
Depreciation in excess of capital allowances	1,950	-
Chargeable gains	-	2,711
Accelerated capital allowances	(1,949)	7,530
Prior year taxes - R&D claim	-	(292,690)
Substantial shareholdings relief on profit on disposal of subsidiary	-	(1,115,768)
Group relief	-	1,628
Total tax charge	<u>334,775</u>	<u>189,816</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 30 June 2020.

	Gross £	Tax £	2019 Net £
Fair value reserve	<u>(10,646)</u>	<u>-</u>	<u>(10,646)</u>

EMICO HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

10. INDIVIDUAL INCOME STATEMENT

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

11. DIVIDENDS

	2020 £	2019 £
£1 Ordinary shares	484,652	-
£1 B ordinary share of £1 each	<u>100,000</u>	<u>100,000</u>

12. INTANGIBLE FIXED ASSETS

Group

**Goodwill
£**

COST

At 1 July 2019
and 30 June 2020

307,655

AMORTISATION

At 1 July 2019
and 30 June 2020

307,655

NET BOOK VALUE

At 30 June 2020

-

At 30 June 2019

-

EMICO HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

13. PROPERTY, PLANT AND EQUIPMENT

Group

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 July 2019	50,506	242,771	293,277
Additions	<u>1,066</u>	<u>48,687</u>	<u>49,753</u>
At 30 June 2020	<u>51,572</u>	<u>291,458</u>	<u>343,030</u>
DEPRECIATION			
At 1 July 2019	9,345	73,313	82,658
Charge for year	<u>10,557</u>	<u>50,424</u>	<u>60,981</u>
At 30 June 2020	<u>19,902</u>	<u>123,737</u>	<u>143,639</u>
NET BOOK VALUE			
At 30 June 2020	<u>31,670</u>	<u>167,721</u>	<u>199,391</u>
At 30 June 2019	<u>41,161</u>	<u>169,458</u>	<u>210,619</u>

14. FIXED ASSET INVESTMENTS

Group

	Listed investments £
COST OR VALUATION	
At 1 July 2019	594,351
Additions	51,618
Disposals	(95,975)
Revaluations	<u>(10,656)</u>
At 30 June 2020	<u>539,338</u>
NET BOOK VALUE	
At 30 June 2020	<u>539,338</u>
At 30 June 2019	<u>594,351</u>

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

14. FIXED ASSET INVESTMENTS - continued

Group

Cost or valuation at 30 June 2020 is represented by:

	Listed investments £
Valuation in 2020	126,005
Cost	<u>413,333</u>
	<u>539,338</u>

If fixed asset investments had not been revalued they would have been included at the following historical cost:

	2020 £	2019 £
Cost	<u>413,333</u>	<u>457,691</u>

Fixed Asset Investments were valued on an open market basis on 30 June 2020 by Brewin Dolphin.

Company

	Shares in group undertakings £
COST	
At 1 July 2019 and 30 June 2020	<u>200</u>
NET BOOK VALUE	
At 30 June 2020	<u>200</u>
At 30 June 2019	<u>200</u>

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Emico Limited

Registered office: 1st Floor, Forsyth House, 39 Mark Road, Hemel Hempstead, Hertfordshire, HP2 7DN

Nature of business: Construction industry

	%		
Class of shares:	holding	2020	2019
Ordinary	100.00	£	£
Aggregate capital and reserves		8,918,694	7,665,546
Profit for the year		<u>1,686,029</u>	<u>2,368,627</u>

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued **FOR THE YEAR ENDED 30 JUNE 2020**

14. FIXED ASSET INVESTMENTS - continued

Emico Property Services Limited

Registered office: 1st Floor, Forsyth House, 39 Mark Road, Hemel Hempstead, Hertfordshire, HP2 7DN

Nature of business: Dormant

Class of shares:	%		
Ordinary	holding		
	100.00		
		2020	2019
		£	£
Aggregate capital and reserves		<u>100</u>	<u>100</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	1,798,173	4,805,805	-	-
Amounts owed by group undertakings	-	-	83,500	-
Amounts recoverable on contract	3,816,447	6,001,454	-	-
Other debtors	1,313,209	2,828,153	600,000	2,100,000
Retentions	1,375,694	1,078,980	-	-
Directors' current accounts	-	400,175	-	299,963
Tax	150,059	30,059	-	-
VAT	105,807	630,269	-	-
Prepayments and accrued income	125,690	83,282	-	-
	<u>8,685,079</u>	<u>15,858,177</u>	<u>683,500</u>	<u>2,399,963</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	7,119,661	11,986,956	-	-
Payment received in advance	1,976,151	1,417,996	-	-
Amounts owed to group undertakings	-	-	-	20,640
Tax	336,725	251,609	1,894	-
Social security and other taxes	139,732	230,111	-	-
Other creditors	545,299	821,135	-	-
Pension fund	42,963	36,908	-	-
Directors' current accounts	114,978	28,407	184,727	38
Accrued expenses	1,055,257	1,529,214	11,101	196,940
	<u>11,330,766</u>	<u>16,302,336</u>	<u>197,722</u>	<u>217,618</u>

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2020	2019
	£	£
Between one and five years	<u>138,293</u>	<u>179,067</u>

18. SECURED DEBTS

There is a debenture to HSBC Bank Plc including a fixed charge over all book and other debts, chattels, goodwill and uncalled capital, both present and future, and first floating charge over all assets and undertaking both present and future as part of a Composite Company Limited Multilateral Guarantee by Emico Holdings Limited and its subsidiary.

The overdraft facility is not being used.

19. FINANCIAL INSTRUMENTS

The only fair value items included on the balance sheet are the listed shares at note 14.

20. PROVISIONS FOR LIABILITIES

	Group	
	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	<u>37,051</u>	<u>39,001</u>

Group

	Deferred tax
	£
Balance at 1 July 2019	39,001
Provided during year	<u>(1,950)</u>
Balance at 30 June 2020	<u>37,051</u>

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
200	Ordinary	£1	<u>200</u>	<u>200</u>

£1 Ordinary shares

Shares rank equally for voting purposes, dividends declared and for any distribution made on a winding up as more particularly described in the articles of association.

EMICO HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2020

22. RESERVES

Group	Retained earnings £	Other reserves £	Fair value reserve £	Totals £
At 1 July 2019	12,367,926	2,400,000	38,298	14,806,224
Profit for the year	1,349,834	-	-	1,349,834
Dividends	(584,652)	-	-	(584,652)
Fair value reserve	38,298	-	(38,298)	-
At 30 June 2020	<u>13,171,406</u>	<u>2,400,000</u>	<u>-</u>	<u>15,571,406</u>

Company

	Retained earnings £
At 1 July 2019	7,140,779
Deficit for the year	(3,314)
Dividends	<u>(484,652)</u>
At 30 June 2020	<u>6,652,813</u>

The revaluation of the listed shares as at 1 July 2019 of £38,298 has been transferred to retained earnings as realised profit.

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 30 June 2020 and 30 June 2019:

	2020 £	2019 £
D G Perrotton		
Balance outstanding at start of year	400,175	100,211
Amounts advanced	-	299,964
Amounts repaid	(484,653)	-
Balance outstanding at end of year	<u>(84,478)</u>	<u>400,175</u>

The director's loan is interest free and repayable on demand.

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.

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

EMICO HOLDINGS LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2020**

24. RELATED PARTY DISCLOSURES - continued

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

	2020	2019
	£	£
Transactions	16,280	29,526
Amount due from related party	<u>670,648</u>	<u>686,928</u>

K Hynes is a non-statutory director of the group. K Hynes invoiced the group £171,386 (2019: £154,000) in the year to 30 June 2020 for services provided. There was no balance payable relating to these costs at the year end date.

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

	2020	2019
	£	£
Profit before taxation	1,684,609	8,171,907
Depreciation charges	60,981	61,520
Loss/(profit) on disposal of fixed assets	13,715	(10,164)
Loss on revaluation of fixed assets	10,656	-
Amounts recoverable on contract	2,185,007	(2,503,861)
Staff loans written off	-	8,750
Profit on sale of subsidiary	-	(5,872,464)
Investment management fees	5,243	5,104
Finance income	<u>(98,423)</u>	<u>(77,645)</u>
	3,861,788	(216,853)
Decrease in trade and other debtors	4,645,056	804,906
(Decrease)/increase in trade and other creditors	<u>(5,080,397)</u>	<u>4,979,764</u>
Cash generated from operations	<u>3,426,447</u>	<u>5,567,817</u>

26. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/19	Cash flow	At 30/6/20
	£	£	£
Net cash			
Cash at bank and in hand	<u>14,484,614</u>	<u>3,031,001</u>	<u>17,515,615</u>
	<u>14,484,614</u>	<u>3,031,001</u>	<u>17,515,615</u>
Total	<u>14,484,614</u>	<u>3,031,001</u>	<u>17,515,615</u>