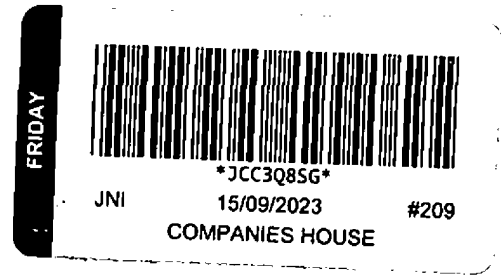


Registered number: 05660595



EDINA UK LIMITED

DIRECTORS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

EDINA UK LIMITED

CONTENTS

	Page
Company Information	2
Strategic Report	3 - 4
Directors' Report	5 - 7
Independent Auditors' Report	8 - 12
Statement of Comprehensive Income	13
Statement of Financial Position	14 - 15
Statement of Changes in Equity	16
Statement of Cash Flows	17 - 18
Notes to the Financial Statements	19 - 42

EDINA UK LIMITED

COMPANY INFORMATION

Directors	Amit Kumar Kaushik (resigned 30 April 2022) Hugh Kerr Richmond Nitin Wadhwa Ricardo Luis De Sousa Alves (appointed 3 April 2023)
Company secretary	Ricardo Luis De Sousa Alves
Registered number	05660595
Registered office	13 Rugby Park Bletchley Road Stockport Cheshire SK4 3EJ
Independent auditors	CLA Evelyn Partners (Ireland) Limited Chartered Accountants & Statutory Audit Firm Paramount Court Corrig Road Sandyford Business Park Dublin 18
Bankers	National Westminster Bank 44 Heaton Moor Road Heaton Chapel Stockport Cheshire SK4 4NP ICICI Bank UK PLC 1 Thomas More Square London E1W 1YN
Solicitors	Lux Nova Partners LABS Hawley Lock Hawley Wharf 1 Water Ln London NW1 8NZ
Date of incorporation	21 December 2005

EDINA UK LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present the Strategic Report for Edina UK Limited for the year ended 31 March 2023.

Principal activity

The principal activities of the company are the manufacture, installation, containerisation, sale and service of diesel and gas generators and the sale of related spare parts.

Business review

Both the level of business and the year end financial position were in line with the directors' expectations of performance for the year.

Principal risks and uncertainties

In common with many businesses, the company is faced with the risk of increasing competition in the marketplace. Staff retention is also critical, especially in the mechanical and electrical sector. The company has maintained a robust set of benefits and initiatives as well as focus on salary levels in order to reduce the attrition rate of employees.

Economic Risks

The risk of increased interest rates and/or inflation causing a negative impact on served markets and the risk of increased costs adversely impacting on the company's competitiveness.

These risks are managed through carefully considering the interest rate environment and exercising stringent cost controls.

Market Risks

The directors manage market risk by due consideration to the energy and construction industries as they pertain to the company's activities. As a business the directors have recognised the need to respond to the global energy transition with its focus on low carbon technologies, increased energy efficiency and electrification. This response can be clearly seen in 2022/23 with the introduction of a battery energy storage solution both for grid application as well as the industrial and commercial sectors, along with hybrid solutions using a combination of gas engine technology and energy storage offerings. This approach is essential to maintain the market share.

Edina has been actively involved in the gas peaking market and have now entered the battery storage market, to supply power through batteries into the National Grid, with our first projects being energised in Q1 2023. This year electricity market Capacity Auctions saw a significant move to battery energy storage systems to satisfy the new grid stability contracts.

The war in Ukraine and the consequential lack of gas from Russia also brought concerns about the availability of gas. This has not ultimately affected the UK and Republic of Ireland as they are not reliant on Russian gas.

The global increase in gas pricing initially brought some uncertainty on the future use of gas as an energy source. However, the price of electricity is linked to the gas price and as gas prices have risen so have electricity prices which has maintained the 'spark spread' - the difference between the gas and power prices, which maintains the economic viability of a gas engine Combined Heat and Power solution and still delivers significant cost savings to a client.

Financial Risks

The company operate budgetary and financial reporting procedures, which are supported by key performance indicators to manage credit, liquidity and other financial risks.

EDINA UK LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Strategy

The directors do not anticipate any change in company strategy during the next financial year. Edina UK Limited will continue to expand its power generation sales network with further investment in its production facilities, installation teams and after sales network.

Progress against strategy

Edina UK Limited's strategy to diversify into battery energy storage systems and other alternatives has been successful in the year and is in line with its long term strategy implemented in 2018. The directors believe that by offering an increased product range to a diverse range of industrial, commercial and public sector customers, Edina UK Limited has created a strategically important sales mix including an increased volume of long term service contracts.

Future developments

Both the level of business and the year end financial position were in line with the directors' expectations and the directors anticipate that the present level of activity will increase in the foreseeable future.


The global energy transition will continue to evolve and the company is expanding its offering to meet the needs of the transition. It is now offering a battery energy storage solution hybrid systems, where we offer a combined engine and storage alternative, which helps meet customers needs for decarbonisation with reliable supply. The company is looking at alternative markets and solutions to meet the new needs of the evolving market. The increasing pressures to decarbonise have caused some hesitation in the market but the reality is that natural gas, particularly in the kind of flexible generation systems provided by the company, is highly likely to continue to be a key part of the UK energy sector for many years. National Grid is estimating that the UK's use of gas will continue up to 2050 and that the need for flexibility will grow. There is also a drive to use hydrogen injected into the gas grid as a low carbon fuel. The company sells natural gas engines that are capable of running with up to 20% hydrogen, so if and when hydrogen is available our equipment can be modified accordingly. The engines are 'hydrogen ready'.

As well as product diversification, we are working on taking the Edina brand overseas to countries who have few alternatives to natural gas power generation and who are less developed in their approaches to decarbonisation.


Section 172(1) statement

The directors have considered the company's key stakeholders and their interests by incorporating stakeholders in formal Board meetings to assist with key decision making.

This report was approved by the Board on 15 May 2023 and signed on its behalf.


Ricardo Alves (May 16, 2023 11:55 GMT+1)

Ricardo Luis De Sousa Alves
Director


Nitin Wadhwa (May 16, 2023 11:54 GMT+1)

Nitin Wadhwa
Director

EDINA UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors present their report and the audited financial statements for the year ended 31 March 2023.

Review of business and future developments

Both the level of business and the year end financial position were in line with the directors' expectations of performance for the year. The directors anticipate that the present level of activity will be maintained in the foreseeable future.

Results and dividends

The profit for the year, after taxation, amounted to £2,176,612 (2022: £125,515).

There were no dividends declared or paid in the year.

Financial risk management

Details of the company's financial instruments and its policies with regard to financial risk management are given in notes 21 and 24 to the financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK.

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Accounting Standards, 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect 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.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

EDINA UK LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Energy and Carbon Report

The company is a subsidiary of Energy Efficiency Services Limited, a public company incorporated in Dehli, India. The company has taken the exemption under Part 7 of The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Employee engagement

The directors value employee engagement in key decision making process. During the year the policy of providing employees with increased information about the company has continued. We maintained ongoing dialogue with our employees and have listened to their concerns and needs. Arrangements are in place to ensure that employees are properly rewarded for performance and loyalty.

Engagement with suppliers, customers and other relationships

The company's stakeholders are people, communities and organisations with an interest or concern in its purpose, strategy, operations and actions, and who in turn, may be affected by them. This includes: *shareholders and debt providers; employees; government and regulators; civil society; suppliers, contractors, partners and customers.* The perspectives, insights and opinions of stakeholders are recognised as a key factor in the relevant operational, investment and business decisions taken by the company and the directors, to ensure that as a whole they are more robust and sustainable.

Edina UK Limited is owned by Energy Efficiency Services Limited and is represented at the Board Meeting by a number of directors, including representatives of the parent company. Details of the mechanisms which were used to engage with stakeholders across the Energy Efficiency Services Limited group in order to gain an understanding of the issues which they deem materia are set out in the annual report published by Energy Efficiency Services Limited.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Section 386 of the Companies Act 2006, regarding adequate accounting records are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise and the provision of adequate resources to the financial function. The books of account of the company are maintained at Rathdown Road, Lissue Industrial Estate West, Lisburn, Co. Antrim, BT28 2RE.

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

Post balance sheet events

There have been no significant events affecting the company since the end of the financial year which would require adjustment to or disclosure in the financial statements.

EDINA UK LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Auditors

The auditors, CLA Evelyn Partners (Ireland) Limited, have indicated their willingness to continue in office in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 15 May 2023 and signed on its behalf.

Ricardo Alves

Ricardo Alves (May 16, 2023 11:55 GMT+1)

Ricardo Luis De Sousa Alves
Director

Nitin Wadhwa

Nitin Wadhwa (May 16, 2023 11:54 GMT+1)

Nitin Wadhwa
Director

EDINA UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EDINA UK LIMITED

Opinion

We have audited the financial statements of Edina UK Limited for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK - adopted International Accounting Standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its financial performance for the year then ended;
- have been properly prepared in accordance with UK - adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

EDINA UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EDINA UK LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

EDINA UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EDINA UK LIMITED (CONTINUED)

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

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.

Auditors' responsibilities for the audit of the financial statements

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below. 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.

We obtained a general understanding of the legal and regulatory framework, through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate, and account for litigation claims. We also drew on our existing understanding of the company's industry and regulation.

We understand that the company complies with their legal framework through:

- outsourcing of payroll, accounts preparation and tax compliance to external experts; and
- the directors' close involvement in the day-to-day running of the business, meaning that any non-compliance, litigation or claims would come to their attention directly.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the parent company's and the company's abilities to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. The key laws and regulations we considered included the Companies Act 2006 and UK-adopted International Accounting Standards in respect of the preparation and presentation of the financial statements.

EDINA UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EDINA UK LIMITED (CONTINUED)

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- enquiring of management and those charged with governance as to any non-compliance with the above laws and regulations;
- obtaining written management representations regarding the adequacy of procedures in place to ensure compliance with laws and regulations; and
- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with the provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- communicating with the company's external legal counsel regarding existing litigation.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- manipulation of the financial statements, especially revenue, via fraudulent journal entries, particularly as the size of the company means that there is little opportunity for segregation of duties.
- the valuation of the freehold factory, as this is a significant accounting estimate made by management;

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures were carried out to gain evidence in the above areas included:

- testing of journal entries, selected based on specific risk assessments applied based on the company and parent company's processes and controls surrounding journal entries;
- reviewing the internal controls, the performance of the company;
- enquiring of management and those charged with governance about their identification of the risks of material misstatement and fraud; and
- challenging management regarding the assumptions used in the estimates identified above, to market data and post-year-end data as appropriate;
- substantive work on material areas affecting profits.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities. In particular, both the senior statutory auditor and the audit manager have a number of years' experience in dealing with companies.

A further description of our responsibilities is available on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EDINA UK LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF EDINA UK LIMITED (CONTINUED)

The purpose of the audit report and to whom we owe our responsibilities

This Report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders, as a body, for our audit work, for this Report, or for the opinions we have formed.

Gráinne Stewart

**Gráinne Stewart
Senior Statutory Auditor**

for and on behalf of
CLA Evelyn Partners (Ireland) Limited

Chartered Accountants & Statutory Audit Firm

Paramount Court
Corrig Road
Sandyford Business Park
Dublin 18

Date: 26 May 2023

EDINA UK LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	2023 £	2022 £
Revenue	3	73,110,725	57,186,740
Cost of sales		(56,868,172)	(42,516,378)
Gross profit		<u>16,242,553</u>	<u>14,670,362</u>
Other operating income	5	79,895	81,228
Administrative expenses		(14,223,590)	(12,905,076)
Other expenses		(69,800)	(1,511,800)
Profit from operations	4	<u>2,029,058</u>	<u>334,714</u>
Finance income	8	24	-
Finance expense	8	(125,750)	(124,869)
Profit before tax		<u>1,903,332</u>	<u>209,845</u>
Tax credit/(expense)	9	273,280	(84,330)
Profit for the year		<u>2,176,612</u>	<u>125,515</u>
Gain on property revaluation	11	1,640,786	-
Total comprehensive income		<u><u>3,817,398</u></u>	<u><u>125,515</u></u>

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

All activities derived from continuing operations. All profits or losses and total comprehensive profits or losses for the period and previous periods are attributable to the owners of the company.

The company has not recognised gains or losses other than those dealt with in the Statement of Comprehensive Income.

EDINA UK LIMITED
REGISTERED NUMBER: 05660595

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023


	Note	2023 £	2022 £
Assets			
Non-current assets			
Property, plant and equipment	11	4,651,582	2,465,403
		<u>4,651,582</u>	<u>2,465,403</u>
Current assets			
Inventories	12	4,514,730	3,252,465
Trade and other receivables	13	20,045,218	19,726,121
Cash and cash equivalents	14	5,751,050	1,432,771
		<u>30,310,998</u>	<u>24,411,357</u>
Total assets		<u>34,962,580</u>	<u>26,876,760</u>
Liabilities			
Non-current liabilities			
Loans and borrowings	16	788,958	490,733
Deferred tax liability	10	120,920	394,200
		<u>909,878</u>	<u>884,933</u>
Current liabilities			
Trade and other liabilities	15	15,292,266	11,217,093
Loans and borrowings	15	1,629,331	1,461,030
		<u>16,921,597</u>	<u>12,678,123</u>
Total liabilities		<u>17,831,475</u>	<u>13,563,056</u>
Net assets		<u><u>17,131,105</u></u>	<u><u>13,313,704</u></u>

EDINA UK LIMITED
REGISTERED NUMBER: 05660595


STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Issued capital and reserves			
Share capital	22	10,000,001	10,000,001
Revaluation reserve	23	2,442,925	802,139
Retained earnings	23	4,688,179	2,511,564
Total Equity		<u>17,131,105</u>	<u>13,313,704</u>

The financial statements were approved and authorised for issue by the Board of Directors on 15 May 2023 and were signed on its behalf by:


Ricardo Alves (May 16, 2023 11:55 GMT+1)

Ricardo Luis De Sousa Alves
Director


Nitin Wadhwa (May 16, 2023 11:54 GMT+1)

Nitin Wadhwa
Director

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

EDINA UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

	Share capital £	Revaluation reserve £	Retained earnings £	Total equity £
At 1 April 2022	10,000,001	802,139	2,511,567	13,313,707
Profit for the year	-	-	2,176,612	2,176,612
Total comprehensive income for the year	-	-	2,176,612	2,176,612
Property revaluation	-	1,640,786	-	1,640,786
Total other comprehensive income	-	1,640,786	-	1,640,786
At 31 March 2023	10,000,001	2,442,925	4,688,179	17,131,105

	Share capital £	Revaluation reserve £	Retained earnings £	Total equity £
At 1 April 2021	4,000,001	802,139	2,386,049	7,188,189
Profit for the year	-	-	125,515	125,515
Total comprehensive income for the year	-	-	125,515	125,515
Issue of share capital	6,000,000	-	-	6,000,000
Total comprehensive income for the year	6,000,000	-	-	6,000,000
At 31 March 2022	10,000,001	802,139	2,511,564	13,313,704

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

Net equity is attributable to the holders of the ordinary shares in the company.

EDINA UK LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	(as restated) £
Cash flows from operating activities		
Profit for the year	2,176,612	125,515
Adjustments for		
Depreciation of property, plant and equipment	937,852	843,947
Impairment of property	19,295	-
Finance income	(24)	-
Finance expense	125,750	124,869
Deferred tax expense	(273,280)	84,330
	<u>2,986,205</u>	<u>1,178,661</u>
Movements in working capital:		
Movement in trade and other receivables	(2,707,583)	(2,964,760)
Movement in group receivables	2,388,486	(1,747,535)
Movement in inventories	(1,262,265)	(602,216)
Movement in trade and other payables	4,075,173	(3,152,998)
Movement in group payables	-	(562,330)
	<u>5,480,016</u>	<u>(7,851,178)</u>
Cash generated from operations	<u>5,480,016</u>	<u>(7,851,178)</u>
Net cash generated from / (used in) operating activities	<u>5,480,016</u>	<u>(7,851,178)</u>
Cash flows from investing activities		
Purchases of property, plant and equipment (net of finance leases)	(786,221)	(441,752)
Transfer from long-term deposit account	-	500,000
	<u>(786,221)</u>	<u>58,248</u>
Net cash (used in) / generated from investing activities	<u>(786,221)</u>	<u>58,248</u>

EDINA UK LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from financing activities		
Issue of ordinary shares	-	6,000,000
Repayment of bank borrowings	(246,072)	(250,000)
Interest paid	(125,750)	(124,869)
Interest received	24	-
Payment of lease liabilities	(3,718)	(1,046)
Net cash (used in) / generated from financing activities	(375,516)	5,624,085
Net cash increase / (decrease) in cash and cash equivalents	4,318,279	(2,168,845)
Cash and cash equivalents at the beginning of year	1,432,771	3,601,616
Cash and cash equivalents at the end of the year	5,751,050	1,432,771

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

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. General information

Edina UK Limited is a private company limited by shares (registered under Companies Act 2006), incorporated in the United Kingdom. The company's registered office and its principal place of business is Units 12 & 13 Rugby Park, Bletchley Road, Stockport, Cheshire, SK4 3EJ.

2. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the companies financial statements.

2.1 Basis of preparation

The financial statements have been prepared in accordance with UK - adopted International Accounting Standards.

The financial statements have been prepared on the historical cost convention.

2.2 Functional and presentation currency

The financial statements are presented in Sterling (£), which is the company's functional currency.

2.3 Foreign currencies

Monetary assets and liabilities denominated in a foreign currency are translated into Sterling at the exchange rate ruling the reporting date, unless specifically covered by foreign exchange contracts whereupon the contract rate is used. Revenues, costs and non monetary assets are translated at the exchange rates ruling at the dates of the transactions. Where consideration is received in advance of revenue being recognised, the date of the transaction reflects the date the consideration is received. All exchange differences are dealt with through the Statement of Comprehensive Income.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Statement of compliance

Standards and amendments to existing standards effective 1 April 2022.

The following new and amended standards and interpretations which became effective from 1 April 2022 have been adopted. The adoption of these standards has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Standard	Content	Applicable for years beginning on/after
IFRS 1	First time adoption of International Financial Reporting Standards	1 January 2022
IFRS 3	Business Combinations	1 January 2022
IAS 16	Property, Plant and Equipment	1 January 2022
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the company:

Standard	Content	Applicable for years beginning on/after
IFRS 10	Consolidated Financial Statements	1 January 2023
IFRS 17	Insurance Contracts	1 January 2023
IAS 1	Presentation of Financial Statements	1 January 2023
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2023
IAS 12	Income Taxes	1 January 2023
IAS 28	Investments in Associates and Joint Ventures	1 January 2023

In the year ended 31 March 2023, the company did not early adopt any new or amended standards and do not plan to early adopt any of the standards issued but not yet effective.

There would not have been a material impact on the financial statements if these standards had been applied in the current year.

2.5 Revenue

Revenue is measured based on the achievement of performance obligations, as initially assessed, and the transaction price within the contracts, net of discounts, VAT and other sales related taxes.

Contract Revenue

Revenue is recognised based on the output method, using measured works as the output measure.

Maintenance Revenue

Maintenance revenue is recognised in the period in which the maintenance is provided and is recognised as revenue when delivered.

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. Accounting policies (continued)

2.6 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board as required by IFRS 8 "Operating Segments". The Board is responsible for allocating resources and assessing the performance of the operating segments.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

2.8 Retirement benefits

Retirement benefits for employees are met by payments to a defined contribution pension scheme. Contributions are charged to the Statement of Comprehensive Income in the year in which they fall due. The assets of the scheme are held separately from those of the company in an independently administered fund.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Statement of Comprehensive Income except to the extent that it relates to items recognised in Other Comprehensive Income or directly in equity, in which case the tax is also recognised in Other Comprehensive Income or equity respectively.

Current income tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from distributions are recognised at the same time as the liability to pay the related distributions is recognised.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.10 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

Freehold property	5% Straight Line
Plant and machinery	15% Straight Line
Motor vehicles	20% Straight Line
Fixtures and fittings	15% Straight Line

The residual value and useful lives of the property, plant and equipment are reviewed annually and adjusted if appropriate at each reporting date.

On disposal of property, plant and equipment the cost and the related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the Statement of Comprehensive Income.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.11 Leasing and hire purchase

A right-of-use asset and a lease liability is recognised for all leases except leases of low value assets, which are considered to be those with a fair value below £4,500, and those with a duration of 12 months or less. The right-of-use asset has been measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date.

The company will depreciate the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Where impairment indicators exist, the right-of-use asset will be assessed for impairment. The lease liabilities are measured at the present value of the lease payments due to the lessor over the lease term, discounted using the interest rate implicit in the lease if that rate is readily available or the company's incremental borrowing rate.

After initial measurement, any payments made will reduce the liability and the interest accrued will increase it. Any reassessment or modification will lead to a remeasurement of the liability. In such case, the corresponding adjustment will be reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

On the Statement of Financial Position, right-of-use assets have been included in property, plant and equipment.

2.12 Impairment

The carrying amounts of the company's non-financial assets, other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the assets' recoverable amount is estimated. For intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that is expected to generate cash flows that largely are independent from other assets and groups. Impairment losses are recognised in the Statement of Comprehensive Income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

2.13 Inventories

Inventory is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving inventory. The cost of inventory and work in progress includes all direct costs and an appropriate proportion of fixed and variable overheads based on normal capacity.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.14 Provisions

Provisions are recognised when the company has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably measured.

2.15 Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument.

Financial assets

Investments other than investments in subsidiaries are classified as either held-for-trading or not at initial recognition.

Trade receivables are held in order to collect the contractual cash flows and are initially measured at the transaction price as defined in IFRS 15, as the contracts of the company do not contain significant financing components. Impairment losses are recognised based on lifetime expected credit losses in the Statement of Comprehensive Income.

Other receivables are held in order to collect the contractual cash flows and accordingly are measured at initial recognition at fair value, which ordinarily equates to cost and are subsequently measured at cost less impairment due to their short-term nature. A provision for impairment is established based on 12-month expected credit losses unless there has been a significant increase in credit risk when lifetime expected credit losses are recognised. The amount of any provision is recognised in the Statement of Comprehensive Income.

Cash and cash equivalents comprise cash held by the company and short-term bank deposits with an original maturity of three months or less.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans are initially recorded at fair value, which is ordinarily equal to the proceeds received net of transaction costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.16 Contingencies

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.17 Share capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction in equity.

2.18 Comparative figures

Comparative figures are regrouped where necessary on the same basis as those for the current year.

2.19 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience from various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements in the following areas:

Work in progress (Note 12)

Work in progress is stated at the lower of the purchase cost and net realisable value. Estimates of net realisable value of work in progress is based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration the fluctuations of price or cost directly relating to events occurring subsequent to the reporting date to the extent that such events confirm conditions existing at the end of the reporting period.

Accrued income (Note 13)

Accrued income represents work performed under customer contracts which has resulted in the recognition of income in line with IFRS 15, but for which a contractual billing milestone has not yet been met. The accrued income for the period totalled £6,413,590 (2022: £4,214,534) for which the directors are satisfied reflects the correct cut off for the period.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Segment information

3.1 Segment revenues and results

In the opinion of the directors, the operations of the company comprise of the sale and service of industrial engines and related spare parts. The company's operations are located within the United Kingdom.

In the opinion of the directors the company has only one reportable segment, which is industrial engine sales and service carried out from 13 Rugby Park, Bletchley Road, Stockport, Cheshire and Rathdown Road, Lissue Industrial Estate West, Lisburn, Co. Antrim, BT282RE.

Information regarding the company's reportable segment is presented below.

The following is an analysis of the company's revenue and results from continuing operations by reportable segment:

	Segment revenue		Segment profit before tax	
	2023 £	2022 £	2023 £	2022 £
United Kingdom				
Industrial engine sales and service	73,110,725	57,186,740	1,903,332	209,845
	<u>73,110,725</u>	<u>57,186,740</u>	<u>1,903,332</u>	<u>209,845</u>
Profit before tax (continuing operations)			<u>1,903,332</u>	<u>209,845</u>

3.2 Segment assets and liabilities

	2023 £	2022 £
Segment assets		
United Kingdom	34,962,580	26,876,760
Total segment assets	<u>34,962,580</u>	<u>26,876,760</u>
Total assets	<u>34,962,580</u>	<u>26,876,760</u>

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. Segment information (continued)

3.2 Segment assets and liabilities (continued)

	2023 £	2022 (as restated) £
Segment liabilities		
United Kingdom	18,104,755	13,563,056
Total segment liabilities	<u>18,104,755</u>	<u>13,563,056</u>
Total liabilities	<u>18,104,755</u>	<u>13,563,056</u>

3.3 Other segment information

	Depreciation and amortisation		Additions to non-current assets	
	2023 £	2022 £	2023 £	2022 £
Industrial engine sales and service	937,852	843,947	1,498,819	411,752
	<u>937,852</u>	<u>843,947</u>	<u>1,498,819</u>	<u>411,752</u>

3.4 Geographical information

The company operates in one principal geographical area, the United Kingdom.

The company's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers	
	2023 £	2022 (as restated) £
United Kingdom	69,025,427	56,301,775
Republic of Ireland	3,727,018	171,380
Rest of Europe	-	380,921
Rest of World	358,280	332,663
	<u>73,110,725</u>	<u>57,186,739</u>

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Profit on ordinary activities before taxation

	2023 £	2022 £
This is arrived at after charging:		
Depreciation of tangible assets	937,852	843,947
Gain on foreign currencies	219,722	(12,597)
	<u> </u>	<u> </u>

5. Other operating income

	2023 £	2022 £
Net rents receivable	79,895	81,228
	<u> </u>	<u> </u>

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

6. Employees

	2023	2022 <i>(as restated)</i>
	£	£
Employee benefit expenses (including directors) comprise:		
Wages and salaries	8,126,089	7,611,996
National insurance	1,021,010	922,967
Defined contribution pension cost	394,795	368,530
	9,541,894	8,903,493
	9,541,894	8,903,493

Capitalised employee costs during the year amounted to £Nil (2022: £Nil).

Directors remuneration and key management compensation

Key management are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors of that entity. The directors are considered key management of the company.

The compensation paid or payable to the key management for employee services during the period is shown below:

	2023	2022
	£	£
Directors salaries	245,315	224,512
Directors national insurance	33,644	30,115
Directors pension costs	10,472	10,060
	289,431	264,687
	289,431	264,687

During the year retirement benefits were accrued for 1 director (2022: 1) in respect of defined contribution retirement benefit schemes.

The highest paid director received remuneration of £242,675 (2022: £264,687).

The monthly average number of persons, including the directors, employed by the company during the year was as follows:

	2023	2022
	No.	No.
Employees	153	154
	153	154

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Retirement benefit costs

The company operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £394,795 (2022: £368,530).

8. Finance income and expense

Recognised in profit or loss

	2023 £	2022 £
Interest on:		
- Bank deposits	24	-
Total finance income	<u>24</u>	<u>-</u>
Finance expense		
Bank interest payable	80,828	90,399
Hire purchase interest payable	44,922	34,470
Total finance expense	<u>125,750</u>	<u>124,869</u>
Net finance expense recognised in profit or loss	<u>(125,726)</u>	<u>(124,869)</u>

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Tax expense

	2023 £	2022 £
Deferred tax expense		
Movements in deferred tax asset	(273,280)	84,330
Total deferred tax	<u>(273,280)</u>	<u>84,330</u>
Total tax expense		
Movements in deferred tax asset	(273,280)	84,330
	<u>(273,280)</u>	<u>84,330</u>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to profits for the year are as follows:

	2023 £	2022 <i>As restated</i> £
Profit for the year	2,176,612	125,515
Income tax credit	(273,280)	84,330
Profit before income taxes	<u>1,903,332</u>	<u>209,845</u>
Tax using the company's domestic tax rate of 19% (2022:19%)	361,633	39,871
Capital allowances for the year in excess of depreciation	42,640	52,776
Chargeable gains/(losses)	(188,156)	-
Movement in deferred tax as a result of change in the tax rate	(65,587)	93,968
Deferred tax not recognised	-	(327,428)
Adjustment in respect of previous periods to tax charge in respect of previous periods	-	330,093
Group relief received	(423,810)	(104,950)
Total tax expense	<u>(273,280)</u>	<u>84,330</u>

The tax rate used for the year end reconciliation's above is the corporate rate of 19% payable by corporate entities in the United Kingdom on taxable profits under tax law in the jurisdiction of the United Kingdom.

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Deferred tax

	2023 £	2022 £
Balance b/fwd at 1 April	394,200	309,870
Transferred from Statement of Comprehensive Income	(273,280)	84,330
	<u>120,920</u>	<u>394,200</u>

At 31 March 2023, the company has net fixed asset temporary differences of £473,020 (2022: £1,566,139). The company has recognised a deferred tax asset amounting to £120,920 (2022: £394,200).

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

11. Property, plant and equipment

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2021	3,089,295	1,103,843	1,413,797	1,236,826	6,843,761
Additions	-	55,237	337,874	48,641	441,752
Disposals	-	-	(328,942)	-	(328,942)
At 31 March 2022	3,089,295	1,159,080	1,422,729	1,285,467	6,956,571
Additions	-	153,040	1,220,404	125,375	1,498,819
Disposals	-	-	(657,406)	-	(657,406)
Revaluations	(19,295)	-	-	-	(19,295)
At 31 March 2023	3,070,000	1,312,120	1,985,727	1,410,842	7,778,689
	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Accumulated depreciation and impairment					
At 1 April 2021	1,170,943	791,668	1,091,090	922,462	3,976,163
Charge owned for the year	308,930	95,154	-	97,171	501,255
Charged financed for the year	-	-	342,692	-	342,692
Disposals	-	-	(328,942)	-	(328,942)
At 31 March 2022	1,479,873	886,822	1,104,840	1,019,633	4,491,168
Charge owned for the year	308,126	93,342	-	87,789	489,257
Charged financed for the year	-	-	448,595	-	448,595
Disposals	-	-	(641,831)	-	(641,831)
On revalued assets	(1,660,082)	-	-	-	(1,660,082)
At 31 March 2023	127,917	980,164	911,604	1,107,422	3,127,107
Net book value					
At 1 April 2021	1,918,352	312,175	322,707	314,364	2,867,598
At 31 March 2022	1,609,422	272,258	317,889	265,834	2,465,403
At 31 March 2023	2,942,083	331,956	1,074,123	303,420	4,651,582

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Property, plant and equipment (continued)

On 7 November 2022, a professional valuation was completed by Roberts & Roberts (Property Consultants) Limited for Units 12 & 13 Rugby Park, Bletchley Road, Heaton Mersey, Stockport, Cheshire SK4 3EJ and the property was valued at £1,000,000. The directors revalued the property to market value at 7 November 2022.

On 31 October 2022, a professional valuation was completed by Lambert Smith Hampton Limited for Site 5, Rathdown Road, Lissie West Industrial Estate, Lisburn, BT28 2RE and the property was valued at £2,070,000. The directors revalued the property to market value at 31 October 2022.

12. Inventories

	2023 £	2022 £
Work in progress	1,581,472	1,223,066
Finished goods and goods for resale	2,933,258	2,029,399
	<u>4,514,730</u>	<u>3,252,465</u>

The replacement cost of inventory is not considered to be materially different from the reported value.

13. Trade and other receivables

	2023 £	2022 £
Trade receivables	8,675,525	7,935,661
Amounts owed by group undertakings	4,404,865	6,793,351
Prepayments	360,686	393,794
Deferred costs	125,023	361,116
Accrued income	6,413,590	4,214,534
Tax recoverable	2,665	2,665
Other receivables	62,864	25,000
	<u>20,045,218</u>	<u>19,726,121</u>

The above amounts owed by group undertakings are interest free and repayable on demand.

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

14. Cash and cash equivalents

	2023 £	2022 £
Bank and cash balances	3,251,050	1,432,771
Restricted cash	2,500,000	-
	5,751,050	1,432,771

An amount of £880,820 (2022: £879,643) is included in cash and bank balance as monies on demand, held in support of creditor facilities. In the event that this cash was withdrawn this facility would be reviewed by the creditor.

The above bonds totaling £2,500,000 are held as restricted cash in ICICI Bank UK PLC with expirations in November 2023 and January 2024.

15. Trade and other payables: amounts falling due within one year

	2023 £	2022 £
Trade and other payables		
Trade creditors	6,555,480	5,311,096
Amounts owed to group companies	206,709	206,709
Other creditors	11,194	-
Tax due to HMRC	5,076,767	2,977,948
Accruals	1,731,551	1,773,725
Accrued costs	-	3,635
Deferred income	1,710,565	943,980
	15,292,266	11,217,093
	2023 £	2022 £
Loans and borrowings		
Loans and overdrafts	1,256,837	1,254,868
HP liabilities and finance leases	372,494	206,162
	1,629,331	1,461,030

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

16. Trade and other payables: amounts falling due after more than one year

	2023 £	2022 £
Loans	123,819	371,860
HP liabilities and finance leases	665,139	118,873
	788,958	490,733

The carrying value of loans and borrowings classified as financial liabilities measured at amortised cost approximates fair value.

17. Secured debt

	2023 £	2022 £
The following secured debts are included within payables		
Bank loan	1,380,656	1,626,728
Net obligations under finance leases and hire purchase contracts	1,037,633	325,035
	2,418,289	1,951,763

	2023 £	2022 (as restated) £
Maturity		
Repayable in one year or less, or on demand	1,629,331	1,461,030
Repayable between one and two years	422,725	462,445
Repayable between two and five years	366,233	28,288
	2,418,289	1,951,763

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. Bank security

The banking facilities are secured as follows:

(1) National Westminster Bank PLC also holds a charge over all deposits held by the company now and in the future.

(2) ICICI Bank UK PLC holds a debenture, created on 26 April 2019, which includes a charge on shares, securities, intellectual properties, monetary claims, charged accounts, plant and equipment, goodwill, uncalled capital, authorisation's, and letters of credit of the company.

(3) ICICI Bank UK PLC holds a fixed and floating charge over all property and assets, present and future, held by the company including goodwill, uncalled share capital, buildings, fixtures, plant and machinery.

(4) ICICI Bank UK PLC holds a fixed charge over the company's bank account, which was created on 20 February 2023.

19. Analysis of net debt

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash and cash equivalents	1,432,771	4,318,279	5,751,050
Net obligations under finance leases	(325,035)	(712,598)	(1,037,633)
Bank loan	(1,626,728)	246,072	(1,380,656)
	<u>(518,992)</u>	<u>3,851,753</u>	<u>3,332,761</u>

20. Related party transactions

Included in debtors due less than one year are amounts due from other group companies of £4,404,865 (2022: £6,793,351). Included in creditors due less than one year are amounts due from other group companies of £206,709 (2022: £206,709). In the opinion of the directors, these amounts arise in the ordinary course of business. The intercompany balances are interest free and repayable on demand.

During the year there was a management charge of £69,800 (2022: £1,511,800) paid in relation to services rendered by the group company.

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	18,831,440	16,161,783
	<u>18,831,440</u>	<u>16,161,783</u>
Financial liabilities		
Other financial liabilities measured at fair value through profit or loss	9,180,478	7,469,568
	<u>9,180,478</u>	<u>7,469,568</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents, trade debtors and group receivables.

Financial liabilities measured at fair value through profit or loss comprise trade creditors and group payables, bank loans and lease liabilities.

22. Share capital

Authorised

	2023 Number	2023 £	2022 Number	2022 £
Shares treated as equity				
Ordinary shares of £1.00 each	10,000,001	10,000,001	10,000,001	10,000,001
	<u>10,000,001</u>	<u>10,000,001</u>	<u>10,000,001</u>	<u>10,000,001</u>

Issued and fully paid

	2023 Number	2023 £	2022 Number	2022 £
Ordinary shares of £1.00 each				
At 1 April and 31 March	10,000,001	10,000,001	10,000,001	10,000,001
	<u>10,000,001</u>	<u>10,000,001</u>	<u>10,000,001</u>	<u>10,000,001</u>

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

23. Reserves

Revaluation reserve

Revaluation reserve is created on recognition revaluation gains of fixed assets, adjusted for associated deferred tax.

Retained earnings

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

24. Financial risk management

The company's principal financial instruments comprise cash and cash equivalents. The main purpose of these financial instruments is to provide finance for the company's operations. The company has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations.

It is, and has been throughout the period under review, the company's policy that no trading in derivatives be undertaken.

The main risks arising from the company's financial instruments are foreign currency risk, credit risk, liquidity risk, interest rate risk and capital risk. The Board reviews and agrees policies for managing each of these risks which are summarised below.

Foreign currency risk

The company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward exchange contracts where appropriate.

At the year ended 31 March 2023, the company had no outstanding forward exchange contracts.

Credit risk

Credit risk refers to the risk that a counterpart will default on its contractual obligations resulting in financial loss to the company.

The company's financial assets comprise receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterpart are banks with high credit- ratings assigned by international credit rating agencies. The company's exposure to credit risk arise from default of its counterpart, with a maximum exposure equal to the carrying amount of cash and cash equivalents in its Statement of Financial Position.

The significant credit risk exposure is to group of counterpart having similar characteristics. The company defines counterpart as having similar characteristics if they are connected entities.

Liquidity risk management

Liquidity risk is the risk that the company will not have sufficient funds to meet liabilities. Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the company's short, medium and long-term funding and liquidity management requirements. The company manages liquidity risk by

EDINA UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the company.

The company's financial liabilities as at 31 March 2023 were payable on demand with the exception of bank loans.

The company expects to meet its other obligations from operating cash flows.

The company had no derivative financial instruments as at 31 March 2023.

Interest rate risk

The company's exposure to the risk of changes in market interest rates relates primarily to the company's debt financing.

It is the company's policy as part of its disciplined management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

Capital risk management

The company manages its capital to ensure that entities in the company will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the company may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the period ended 31 March 2023. The capital structure of the company consists of equity attributable to equity holders of the company, comprising issued capital, reserves and retained profits as disclosed in the Statement of Changes in Equity.

Fair values

The carrying amount of the company's financial assets and financial liabilities is a reasonable approximation of the fair value.

Hedging

At the year ended 31 March 2023, the company had no outstanding contracts designated as hedges.

25. Ultimate controlling party

The company's immediate parent undertaking is Edina Power Services Limited, a company incorporated in the Republic of Ireland.

The ultimate parent undertaking is Energy Efficiency Services Limited, a company incorporated in India, who holds 86.80% of the issued share capital of EESL EnergyPro Assets Limited. These accounts are included within the consolidated accounts of Energy Efficiency Services Limited which can be obtained from the registered office located at 4NFL Building, 5th & 6th Floor, Core - III, SCOPE Complex, Lodhi Road, New Delhi - 110003, India.

EDINA UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

26. Post balance sheet events

There have been no significant events affecting the company since the end of the financial year which would require adjustment to or disclosure in the financial statements.

27. Approval of financial statements

The financial statements were approved by the Board on 15 May 2023.