

Registered number: 05786137

STORM PROCUREMENT LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

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STORM PROCUREMENT LIMITED

COMPANY INFORMATION

| | |
|----------------------------|---|
| Directors | Mr P Alexander Mr J Brooker Mr S Addis Ms E Griffin Mr S Kimpton |
| Company secretary | Mr J Brooker |
| Registered number | 05786137 |
| Registered office | 1 Millfield Woodshots Meadow Watford Herts WD18 8YX |
| Independent auditor | Hillier Hopkins LLP Chartered Accountants & Statutory Auditor Radius House 51 Clarendon Road Watford Herts WD17 1HP |

STORM PROCUREMENT LIMITED

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STORM PROCUREMENT LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Introduction

Storm Procurement Ltd has been providing dedicated procurement services to Africa and The Middle East for over a decade. We are a leading supplier of Mining and Energy products and provide an integrated service from the provision of logistics to tail-end spend and onsite support.

Storm Procurement specialises in providing procurement, supply and logistical services to the international Mining, Engineering, Energy, and Construction industries via our office & warehouse facilities in the UK, USA, South Africa, and Mozambique. The company also has a committed partnership in Australia, as well as Ghana, which allows us to meet the supply demand from those regions. This ensures that the company can source and console internationally.

Business review

2023 was another record year for Storm Procurement Ltd, this is despite the ongoing significant global economic conditions such as the continued effect of Covid 19, the Ukraine/ Russia war, global inflation and an energy crisis. These economic factors have presented with global product shortages, supply chain restrictions and delays and has therefore had an impact on the working capital of the company throughout the year. In 2022 the company saw an increase in turnover of over 50% which was maintained and improved upon in 2023.

The company's commitment to its customers has meant that despite these factors the company has experienced a strong sales performance whilst maintaining costs which has contributed to the organic revenue and net profit growth experienced by the company in 2023.

Total turnover increased by 5.2% (2022: 52%) to £29.4m (2022: £28m). Gross profit also increased by 17% (2022: 27.6%) to £5.4m (2022: £4.6m). Despite administrative expenses increasing by 19% to £4.1m (2022: £3.4m) the company's net operating profit before taxation increased by 11.5% to £1.33m (2022: £1.186m)

The above results show the resilience of the company after numerous years of consecutive global challenges. The company strategy remains focused on growing the business organically, servicing our existing customers, and growing our client base by expanding into new markets and territories. Staff remain and will remain the key factor to driving this success.

STORM PROCUREMENT LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Principal risks and uncertainties

Profitable growth within the competitive marketplace

Storm Procurements global reach and presence is prevalent in ensuring that we are competitive for our customers. We always aim to provide a value-added service to our customers and our commitment to the best service to our customers ensures we are best placed in the market to service their needs.

Dependence on specific customer of Industry sectors

No one account makes up more than 5% of Storm Procurements total revenue. While the company is specialised in the Mining and Energy industries in Africa our customer base is diverse and as such, the company is resilient to market and account fluctuations, and changes in buying patterns.

Financial risk management

Credit risk

Due to the industry that Storm operates, credit risk underpins a key financial risk to the company. This inherent risk is mitigated as far as possible by ensuring that full due diligence is completed on our customers, and rigorous credit control procedures are in place to make sure that customers pay within the credit terms offered. Continued due diligence is performed on our customers to guarantee that we are always up to date with market and in-country movements and concerns. Weekly meetings with management are also in place to highlight any key concerns regarding credit risk.

Liquidity and cash flow

The company actively monitors its financial position to ensure the company has sufficient funds available for operations and planned growth.

Foreign exchange risk

Foreign exchange is an inherent risk for the company. Storm trades overseas in multiple different currencies and therefore is exposed to foreign exchange fluctuations. The company manages this by holding bank accounts in the currencies the company trades in and wherever possible ensuring that our purchasing and invoicing is transacted in the same currency to naturally hedge against foreign exchange movements. The company also has a solid relationship with its bank to provide facilities for hedging, where natural hedging has not been possible. The company also keeps up to date with different political, environmental, and economic movements of the currencies it trades in.

Financial key performance indicators

Storm Procurement measure its performance using four main financial KPIs and these are reported and reviewed by the Management team at monthly meetings:

- Gross Profit
- Gross Profit Margin
- Net profit
- Cash flow

Other key performance indicators

Storm Procurement also uses non-financial KPIs to assess its performance:

- Quote conversion
- Customer retention
- Order turnaround

STORM PROCUREMENT LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023**

Future Developments

At the start of 2024 the strategic decision was made by the company shareholders to move the shares held by the majority shareholder of Storm Procurement Ltd into Storm Technologies Group Limited. The companies had previously been related entities due to a mutual shareholder relationship. The share transfer was completed on 1st June 2024.

By bringing Storm Procurement Ltd into group, it allows all companies to benefit from synergies, cross pollination of customers, efficiencies, diversification and global reach. The move also allows all companies to consolidate their financial standing to achieve more efficient banking provisions to facilitate the future growth of the entities.

The company's Energy department continues to grow and is reaching new markets in different territories as well as continuing to build on the existing client base globally. The department is also developing relationships with new partners and suppliers to assist our clients as they transition from high carbon intensive operations to cleaner, greener and ultimately 'net zero' companies. The company is continually bidding on new tenders and making connections with in-country agents to comply with emerging requirements within country purchasing restrictions. A 5-year contract with an international Energy company has already been secured in 2024.

The mining sector will continue to be a major contributor to Storm's turnover in the future. We are now an established contactor to all the major mining companies in Africa, and our employees have a combined industry experience of over 100 years. This gives us a deep understanding of the needs of our customers. Newly formed strategic relationships will also allow us to continue to service our customers despite changes in local content laws that are being introduced across Africa.

This report was approved by the board on 05-09-2024 | 08:29 BST and signed on its behalf.

DocuSigned by:

John Brooker

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Mr J Brooker
Director

STORM PROCUREMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

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

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

Results and dividends

The profit for the year, after taxation, amounted to £1,000,475 (2022 - £948,128).

Directors

The directors who served during the year were:

Mr P Alexander
Mr J Brooker
Mr S Addis
Ms E Griffin
Mr S Kimpton

Matters covered in the Group Strategic Report

Details of the Directors' review of business, future developments and financial risk management in relation to the Group are included in the Group's strategic report.

STORM PROCUREMENT LIMITED

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

Disclosure of information to auditor

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

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

Post balance sheet events

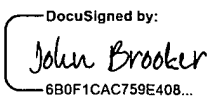
At the start of 2024 the strategic decision was made by the company shareholders to move the shares held by the majority shareholder of Storm Procurement Ltd into Storm Technologies Group Limited. The companies had previously been related entities due to a mutual shareholder relationship. The share transfer was completed on 1st June 2024.

By bringing Storm Procurement Ltd into group, it allows all companies to benefit from synergies, cross pollination of customers, efficiencies, diversification and global reach. The move also allows all companies to consolidate their financial standing to achieve more efficient banking provisions to facilitate the future growth of the entities.

Auditor

The auditor, Hillier Hopkins LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:

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Mr J Brooker
Director

Date: 05-09-2024 | 08:29 BST

STORM PROCUREMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STORM PROCUREMENT LIMITED

Opinion

We have audited the financial statements of Storm Procurement Limited (the 'parent Company') and its subsidiary (together the 'Group') for the year ended 31 December 2023, which comprise the Consolidated statement of comprehensive income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2023 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Group's or the parent 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.

STORM PROCUREMENT LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STORM PROCUREMENT LIMITED
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

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

STORM PROCUREMENT LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STORM PROCUREMENT LIMITED (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the nature of the industry and sector, control environment and business performance including the remuneration incentives and pressures of key management;
- the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. We consider the results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. We focused on laws and regulations that could give rise to a

STORM PROCUREMENT LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STORM PROCUREMENT LIMITED
(CONTINUED)**

material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and relevant tax legislation.

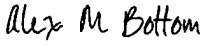
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

DocuSigned by:


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Alexander Bottom ACA (Senior statutory auditor)

for and on behalf of
Hillier Hopkins LLP

Chartered Accountants
Statutory Auditor

Radius House
51 Clarendon Road
Watford

Herts

WD17 1HP

Date: 06-09-2024 | 09:58 BST

STORM PROCUREMENT LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | Note | 2023 £ | 2022 £ |
|--|------|--------------------|------------------|
| Turnover | 4 | 29,448,031 | 27,998,271 |
| Cost of sales | | (24,043,702) | (23,379,624) |
| Gross profit | | 5,404,329 | 4,618,647 |
| Administrative expenses | | (4,082,538) | (3,423,592) |
| Other operating income | 5 | 5,350 | - |
| Operating profit | 6 | 1,327,141 | 1,195,055 |
| Interest receivable and similar income | 10 | 7,516 | 962 |
| Interest payable and similar expenses | 11 | (13,366) | (2,555) |
| Profit before tax | | 1,321,291 | 1,193,462 |
| Tax on profit | 12 | (320,816) | (245,334) |
| Profit for the financial year | | 1,000,475 | 948,128 |
| Profit for the year attributable to: | | | |
| Owners of the parent company | | (1,000,475) | (948,128) |
| | | (1,000,475) | (948,128) |
| Total comprehensive income attributable to: | | | |

There were no recognised gains and losses for 2023 or 2022 other than those included in the consolidated statement of comprehensive income.

The notes on pages 20 to 41 form part of these financial statements.

STORM PROCUREMENT LIMITED
REGISTERED NUMBER: 05786137

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

| | Note | 2023 £ | 2022 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 14 | 36,259 | - |
| Tangible assets | 15 | 140,370 | 219,947 |
| Current assets | | | |
| Stocks | 17 | 280,095 | 577,878 |
| Debtors: amounts falling due within one year | 18 | 6,295,025 | 4,741,891 |
| Cash at bank and in hand | 19 | 912,112 | 1,229,216 |
| | | <u>7,487,232</u> | <u>6,548,985</u> |
| Creditors: amounts falling due within one year | 20 | (4,717,551) | (4,272,043) |
| Net current assets | | 2,769,681 | 2,276,942 |
| Total assets less current liabilities | | 2,946,310 | 2,496,889 |
| Creditors: amounts falling due after more than one year | 21 | (20,712) | (44,571) |
| Provisions for liabilities | | | |
| Deferred tax | 24 | - | (19,045) |
| Net assets | | 2,925,598 | 2,433,273 |
| Capital and reserves | | | |
| Called up share capital | 25 | 4,571 | 4,571 |
| Share premium account | 26 | 69,629 | 69,629 |
| Capital redemption reserve | 26 | 800 | 800 |
| Foreign exchange reserve | 26 | (1,014) | 7,136 |
| Profit and loss account | 26 | 2,851,612 | 2,351,137 |
| | | <u>2,925,598</u> | <u>2,433,273</u> |

STORM PROCUREMENT LIMITED
REGISTERED NUMBER: 05786137

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

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

DocuSigned by:

John Brooker

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.....
Mr J Brooker
Director

Date: 05-09-2024 | 08:29 BST

STORM PROCUREMENT LIMITED
REGISTERED NUMBER: 05786137

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2023

| | Note | 2023 £ | 2022 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 14 | 36,259 | - |
| Tangible assets | 15 | 140,370 | 219,947 |
| Investments | 16 | 12,583 | 12,583 |
| | | <u>189,212</u> | <u>232,530</u> |
| Current assets | | | |
| Stocks | 17 | 280,095 | 577,878 |
| Debtors: amounts falling due within one year | 18 | 6,304,664 | 4,736,194 |
| Cash at bank and in hand | 19 | 737,392 | 1,106,772 |
| | | <u>7,322,151</u> | <u>6,420,844</u> |
| Creditors: amounts falling due within one year | 20 | (4,713,670) | (4,257,862) |
| Net current assets | | <u>2,608,481</u> | <u>2,162,982</u> |
| Total assets less current liabilities | | <u>2,797,693</u> | <u>2,395,512</u> |
| Creditors: amounts falling due after more than one year | 21 | (20,712) | (44,571) |
| Provisions for liabilities | | | |
| Deferred taxation | 24 | - | (19,294) |
| Net assets | | <u><u>2,776,981</u></u> | <u><u>2,331,647</u></u> |
| Capital and reserves | | | |
| Called up share capital | 25 | 4,571 | 4,571 |
| Share premium account | 26 | 69,629 | 69,629 |
| Capital redemption reserve | 26 | 800 | 800 |
| Profit and loss account brought forward | | 2,256,647 | 1,835,409 |
| Profit for the year | | 945,334 | 956,963 |
| Other changes in the profit and loss account | | (500,000) | (535,725) |
| Profit and loss account carried forward | | <u>2,701,981</u> | <u>2,256,647</u> |
| | | <u><u>2,776,981</u></u> | <u><u>2,331,647</u></u> |

STORM PROCUREMENT LIMITED
REGISTERED NUMBER: 05786137

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2023

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

DocuSigned by:

John Brooker

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Mr J Brooker
Director

Date: 05-09-2024 | 08:29 BST

The notes on pages 20 to 41 form part of these financial statements.

STORM PROCUREMENT LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Called up share capital £ | Share premium account £ | Capital redemption reserve £ | Foreign exchange reserve £ | Profit and loss account £ | Total equity £ |
|---|------------------------------------|----------------------------------|---------------------------------------|-------------------------------------|------------------------------------|----------------------|
| At 1 January 2022 | 4,571 | 69,629 | 800 | 4,521 | 1,938,734 | 2,018,255 |
| Comprehensive income for the year | | | | | | |
| Profit for the year | - | - | - | - | 948,128 | 948,128 |
| Currency translation differences | - | - | - | 2,615 | - | 2,615 |
| Total comprehensive income for the year | - | - | - | 2,615 | 948,128 | 950,743 |
| Contributions by and distributions to owners | | | | | | |
| Dividends: Equity capital | - | - | - | - | (535,725) | (535,725) |
| Total transactions with owners | - | - | - | - | (535,725) | (535,725) |
| At 1 January 2023 | 4,571 | 69,629 | 800 | 7,136 | 2,351,137 | 2,433,273 |
| Comprehensive income for the year | | | | | | |
| Profit for the year | - | - | - | - | 1,000,475 | 1,000,475 |
| Currency translation differences | - | - | - | (8,150) | - | (8,150) |
| Total comprehensive income for the year | - | - | - | (8,150) | 1,000,475 | 992,325 |
| Contributions by and distributions to owners | | | | | | |
| Dividends: Equity capital | - | - | - | - | (500,000) | (500,000) |
| Total transactions with owners | - | - | - | - | (500,000) | (500,000) |
| At 31 December 2023 | 4,571 | 69,629 | 800 | (1,014) | 2,851,612 | 2,925,598 |

STORM PROCUREMENT LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Called up share capital £ | Share premium account £ | Capital redemption reserve £ | Profit and loss account £ | Total equity £ |
|---|------------------------------------|----------------------------------|---------------------------------------|------------------------------------|-------------------|
| At 1 January 2022 | 4,571 | 69,629 | 800 | 1,835,409 | 1,910,409 |
| Comprehensive income for the year | | | | | |
| Profit for the year | - | - | - | 956,963 | 956,963 |
| Contributions by and distributions to owners | | | | | |
| Dividends: Equity capital | - | - | - | (535,725) | (535,725) |
| Total transactions with owners | - | - | - | (535,725) | (535,725) |
| At 1 January 2023 | 4,571 | 69,629 | 800 | 2,256,647 | 2,331,647 |
| Comprehensive income for the year | | | | | |
| Profit for the year | - | - | - | 945,334 | 945,334 |
| Contributions by and distributions to owners | | | | | |
| Dividends: Equity capital | - | - | - | (500,000) | (500,000) |
| Total transactions with owners | - | - | - | (500,000) | (500,000) |
| At 31 December 2023 | 4,571 | 69,629 | 800 | 2,701,981 | 2,776,981 |

The notes on pages 20 to 41 form part of these financial statements.

STORM PROCUREMENT LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Cash flows from operating activities | | |
| Profit for the financial year | 1,000,475 | 948,128 |
| Adjustments for: | | |
| Amortisation of intangible assets | 2,376 | - |
| Depreciation of tangible assets | 101,726 | 77,675 |
| Loss on disposal of tangible assets | - | (88) |
| Interest paid | 13,366 | 2,555 |
| Interest received | (7,516) | (962) |
| Taxation charge | 320,816 | 245,334 |
| Decrease/(increase) in stocks | 297,783 | (157,707) |
| (Increase) in debtors | (1,536,227) | (395,275) |
| Increase in creditors | 95,405 | 1,140,033 |
| (Decrease)/increase in amounts owed to participating ints | (148,328) | 35,013 |
| Corporation tax (paid) | (324,312) | (367,768) |
| Foreign exchange | (8,229) | - |
| Net cash generated from operating activities | (192,665) | 1,526,938 |
| Cash flows from investing activities | | |
| Purchase of intangible fixed assets | (38,635) | - |
| Purchase of tangible fixed assets | (22,150) | (136,739) |
| Sale of tangible fixed assets | - | 88 |
| Interest received | 7,516 | 962 |
| HP interest paid | (3,869) | (2,348) |
| Net cash from investing activities | (57,138) | (138,037) |

STORM PROCUREMENT LIMITED

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

| | 2023 £ | 2022 £ |
|---|------------------|------------------|
| Cash flows from financing activities | | |
| New secured loans | 449,094 | 37,847 |
| Repayment of loans | (17,609) | - |
| Repayment of/new finance leases | (37,947) | 40,398 |
| Dividends paid | (500,000) | (535,725) |
| Interest paid | (9,497) | (207) |
| New finance leases | 48,658 | - |
| | <hr/> | <hr/> |
| Net cash used in financing activities | (67,301) | (457,687) |
| | <hr/> | <hr/> |
| Net (decrease)/increase in cash and cash equivalents | (317,104) | 931,214 |
| Cash and cash equivalents at beginning of year | 1,229,216 | 298,002 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of year | 912,112 | 1,229,216 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 912,112 | 1,229,216 |
| | <hr/> | <hr/> |
| | 912,112 | 1,229,216 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 20 to 41 form part of these financial statements.

STORM PROCUREMENT LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2023**

| | At 1 January 2023 £ | Cash flows £ | New finance leases £ | At 31 December 2023 £ |
|--------------------------|------------------------------|------------------|----------------------------|--------------------------------|
| Cash at bank and in hand | 1,229,216 | (317,104) | - | 912,112 |
| Debt due after 1 year | (20,238) | 17,608 | - | (2,630) |
| Debt due within 1 year | (17,609) | (449,093) | - | (466,702) |
| Finance leases | (44,817) | (59,369) | 48,658 | (55,528) |
| | <u>1,146,552</u> | <u>(807,958)</u> | <u>48,658</u> | <u>387,252</u> |

The notes on pages 20 to 41 form part of these financial statements.

STORM PROCUREMENT LIMITED

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

1. General information

Storm Procurement Limited is a private company limited by shares which is incorporated and domiciled in England & Wales. The registered office is 1 Millfield Woodshots Meadow, Watford, WD18 8YX.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2014.

STORM PROCUREMENT LIMITED

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

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

STORM PROCUREMENT LIMITED

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

2. Accounting policies (continued)

2.5 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.8 Borrowing costs

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

2.9 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

STORM PROCUREMENT LIMITED

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

2. Accounting policies (continued)

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

STORM PROCUREMENT LIMITED

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

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

| | |
|------------------------------|-------------------------|
| Long-term leasehold property | - 5 years straight line |
| Plant and machinery | - 4 years straight line |
| Motor vehicles | - 4 years straight line |
| Fixtures and fittings | - 4 years straight line |
| Computer equipment | - 2 years straight line |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Valuation of investments

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. *Work in progress and finished goods include labour and attributable overheads.*

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

STORM PROCUREMENT LIMITED

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

2. Accounting policies (continued)

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.17 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

2.19 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at

STORM PROCUREMENT LIMITED

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

2. Accounting policies (continued)

2.19 Financial instruments (continued)

the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

- The recoverability of trade debtors has been assessed as at the year end and up until the date of signing these financial statements. Management have based the decision to provide for any amounts based on their judgement of all the available information, and their experience of the specific nature of trade debtor in question.

- Stock is included as per the accounting policy set out above. Management have assessed the need to write off or provide against any specific items based on the levels held at year end, and the expected sales of such items in the immediate period post year end.

STORM PROCUREMENT LIMITED

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

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2023 £ | 2022 £ |
|---------------------------|-------------------|-------------------|
| Procurement and Logistics | <u>29,448,031</u> | <u>27,998,271</u> |

Analysis of turnover by country of destination:

| | 2023 £ | 2022 £ |
|-------------------|-------------------|-------------------|
| United Kingdom | 2,611,396 | 1,543,086 |
| Rest of Europe | 5,089,482 | 2,223,605 |
| Rest of the world | 21,747,153 | 24,231,580 |
| | <u>29,448,031</u> | <u>27,998,271</u> |

5. Other operating income

| | 2023 £ | 2022 £ |
|------------------------|--------------|-----------|
| Other operating income | <u>5,350</u> | <u>-</u> |

6. Operating profit

The operating profit is stated after charging:

| | 2023 £ | 2022 £ |
|----------------------|----------------|------------------|
| Exchange differences | <u>195,285</u> | <u>(102,061)</u> |

7. Auditor's remuneration

During the year, the Group obtained the following services from the Company's auditor:

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Fees payable to the Company's auditor for the audit of the consolidated and parent Company's financial statements | <u>15,950</u> | <u>15,600</u> |

STORM PROCUREMENT LIMITED

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

8. Employees

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

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Wages and salaries | 2,364,841 | 2,190,979 | 2,364,841 | 2,170,671 |
| Social security costs | 228,297 | 211,585 | 228,297 | 211,585 |
| Cost of defined contribution scheme | 63,004 | 42,557 | 63,004 | 42,557 |
| | <u>2,656,142</u> | <u>2,445,121</u> | <u>2,656,142</u> | <u>2,424,813</u> |

The average monthly number of employees, including the directors, during the year was as follows:

| | 2023 No. | <i>2022 No.</i> |
|-----------------------------------|---------------------|---------------------|
| Directors | 5 | 5 |
| Sales, technical & administration | 44 | 41 |
| | <u>49</u> | <u>46</u> |

9. Directors' remuneration

| | 2023 £ | <i>2022 £</i> |
|---|-------------------|-------------------|
| Directors' emoluments | 693,098 | 489,631 |
| Group contributions to defined contribution pension schemes | 12,600 | 10,600 |
| | <u>705,698</u> | <u>500,231</u> |

During the year retirement benefits were accruing to 4 directors (2022 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £242,566 (2022 - £242,275).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,200 (2022 - £3,200).

STORM PROCUREMENT LIMITED

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

10. Interest receivable

| | 2023 £ | 2022 £ |
|---------------------------|-----------|-----------|
| Other interest receivable | 7,516 | 962 |

11. Interest payable and similar expenses

| | 2023 £ | 2022 £ |
|--|---------------|--------------|
| Bank interest payable | 9,497 | 207 |
| Finance leases and hire purchase contracts | 3,869 | 2,348 |
| | <u>13,366</u> | <u>2,555</u> |

12. Taxation

| | 2023 £ | 2022 £ |
|--|-----------------|-----------------|
| Corporation tax | | |
| Current tax on profits for the year | 245,842 | 105,753 |
| Adjustments in respect of previous periods | 6,473 | (8,187) |
| | <u>252,315</u> | <u>97,566</u> |
| Foreign tax | | |
| Foreign tax on income for the year | 102,578 | 167,652 |
| Total current tax | <u>354,893</u> | <u>265,218</u> |
| Deferred tax | | |
| Origination and reversal of timing differences | (34,077) | (19,884) |
| Total deferred tax | <u>(34,077)</u> | <u>(19,884)</u> |
| Taxation on profit on ordinary activities | <u>320,816</u> | <u>245,334</u> |

STORM PROCUREMENT LIMITED

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

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 24% (2022 - 19%). The differences are explained below:

| | 2023 £ | 2022 £ |
|--|----------------|----------------|
| Profit on ordinary activities before tax | 1,321,291 | 1,193,462 |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2022 - 19%) | 317,110 | 226,758 |
| Effects of: | | |
| Expenses not deductible for tax purposes, other than goodwill amortisation and impairment | 3,275 | 4,426 |
| Capital allowances for year in excess of depreciation | - | (15,913) |
| Adjustments to tax charge in respect of prior periods | 6,473 | (8,187) |
| Short-term timing difference leading to an increase (decrease) in taxation | (18,643) | (19,884) |
| Double taxation relief | (90,930) | (111,808) |
| Other differences leading to an increase (decrease) in the tax charge | - | 2,766 |
| Foreign tax on income | 103,531 | 167,176 |
| Total tax charge for the year | 320,816 | 245,334 |

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

13. Dividends

| | 2023 £ | 2022 £ |
|-----------|-----------|-----------|
| Dividends | 500,000 | 535,725 |

STORM PROCUREMENT LIMITED

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

14. Intangible assets

Group

| | Computer software £ |
|-------------------------------------|------------------------------------|
| Cost | |
| Additions | 38,635 |
| At 31 December 2023 | 38,635 |
| Amortisation | |
| Charge for the year on owned assets | 2,376 |
| At 31 December 2023 | 2,376 |
| Net book value | |
| At 31 December 2023 | 36,259 |
| At 31 December 2022 | - |

STORM PROCUREMENT LIMITED

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

14. Intangible assets (continued)**Company**

| | Computer software £ |
|----------------------------|------------------------------------|
| Cost | |
| Additions | 38,635 |
| At 31 December 2023 | 38,635 |
| Amortisation | |
| Charge for the year | 2,376 |
| At 31 December 2023 | 2,376 |
| Net book value | |
| At 31 December 2023 | 36,259 |
| <i>At 31 December 2022</i> | - |

STORM PROCUREMENT LIMITED

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

15. Tangible fixed assets

Group

| | Leasehold improvements £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|--|--------------------------------|-----------------------------|------------------------|-------------------------------|----------------------------|----------------|
| Cost or valuation | | | | | | |
| At 1 January 2023 | 92,633 | 43,988 | 13,001 | 55,426 | 227,773 | 432,821 |
| Additions | 17,020 | - | - | 1,821 | 3,309 | 22,150 |
| At 31 December 2023 | <u>109,653</u> | <u>43,988</u> | <u>13,001</u> | <u>57,247</u> | <u>231,082</u> | <u>454,971</u> |
| Depreciation | | | | | | |
| At 1 January 2023 | 13,652 | 16,566 | 13,001 | 24,407 | 145,248 | 212,874 |
| Charge for the year on owned assets | 21,239 | 9,364 | - | 12,087 | 59,037 | 101,727 |
| At 31 December 2023 | <u>34,891</u> | <u>25,930</u> | <u>13,001</u> | <u>36,494</u> | <u>204,285</u> | <u>314,601</u> |
| Net book value | | | | | | |
| At 31 December 2023 | <u>74,762</u> | <u>18,058</u> | <u>-</u> | <u>20,753</u> | <u>26,797</u> | <u>140,370</u> |
| At 31 December 2022 | <u>78,981</u> | <u>27,422</u> | <u>-</u> | <u>31,019</u> | <u>82,525</u> | <u>219,947</u> |

STORM PROCUREMENT LIMITED

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

15. Tangible fixed assets (continued)**Company**

| | Leasehold improvements £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-------------------------------------|--------------------------------|-----------------------------|------------------------|-------------------------------|----------------------------|----------------|
| Cost or valuation | | | | | | |
| At 1 January 2023 | 92,633 | 43,988 | 13,001 | 55,426 | 227,773 | 432,821 |
| Additions | 17,020 | - | - | 1,821 | 3,309 | 22,150 |
| At 31 December 2023 | <u>109,653</u> | <u>43,988</u> | <u>13,001</u> | <u>57,247</u> | <u>231,082</u> | <u>454,971</u> |
| Depreciation | | | | | | |
| At 1 January 2023 | 13,652 | 16,566 | 13,001 | 24,407 | 145,248 | 212,874 |
| Charge for the year on owned assets | 21,239 | 9,364 | - | 12,087 | 59,037 | 101,727 |
| At 31 December 2023 | <u>34,891</u> | <u>25,930</u> | <u>13,001</u> | <u>36,494</u> | <u>204,285</u> | <u>314,601</u> |
| Net book value | | | | | | |
| At 31 December 2023 | <u>74,762</u> | <u>18,058</u> | <u>-</u> | <u>20,753</u> | <u>26,797</u> | <u>140,370</u> |
| At 31 December 2022 | <u>78,981</u> | <u>27,422</u> | <u>-</u> | <u>31,019</u> | <u>82,525</u> | <u>219,947</u> |

STORM PROCUREMENT LIMITED

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

16. Fixed asset investments

Company

| | Investments in subsidiary companies £ |
|--------------------------|--|
| Cost or valuation | |
| At 1 January 2023 | 12,583 |
| At 31 December 2023 | <u>12,583</u> |

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Registered office | Class of shares | Holding |
|--------------------------------|--|------------------------|----------------|
| Global Steel Exports Limited | 1 Millfield Woodshots Meadow, Watford, Hertfordshire, WD18 8YX | Ordinary | 100% |
| Global Steel Exports (Pty) Ltd | Unit C 3, Growthpoint Industrial Park, 1 Bell Street, Meadowdale, Johannesburg, South Africa | Ordinary | 100% |
| Storm Mozambique Lda | Avenida Martires de Mueda 707, Maputo, Mozambique | Ordinary | 100% |

The aggregate of the share capital and reserves as at 31 December 2023 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| Name | Aggregate of share capital and reserves £ | Profit/(Loss) £ |
|--------------------------------|--|----------------------------|
| Global Steel Exports Limited | 46,339 | (3,834) |
| Global Steel Exports (Pty) Ltd | 120,112 | 58,571 |
| Storm Mozambique Lda | (3,539) | 404 |

STORM PROCUREMENT LIMITED

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

17. Stocks

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Finished goods and goods for resale | 280,095 | <i>577,878</i> | 280,095 | <i>577,878</i> |

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade debtors | 5,223,607 | <i>3,891,533</i> | 5,217,164 | <i>3,875,218</i> |
| Amounts owed by group undertakings | - | - | 17,430 | <i>12,575</i> |
| Other debtors | 935,565 | <i>756,505</i> | 934,437 | <i>754,548</i> |
| Prepayments and accrued income | 120,821 | <i>93,853</i> | 120,821 | <i>93,853</i> |
| Deferred taxation | 15,032 | - | 14,812 | - |
| | 6,295,025 | <i>4,741,891</i> | 6,304,664 | <i>4,736,194</i> |

19. Cash and cash equivalents

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|--------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Cash at bank and in hand | 912,112 | <i>1,229,216</i> | 737,392 | <i>1,106,772</i> |

STORM PROCUREMENT LIMITED

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

20. Creditors: Amounts falling due within one year

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 466,702 | 17,609 | 466,702 | 17,609 |
| Trade creditors | 2,680,396 | 3,199,423 | 2,681,685 | 3,200,882 |
| Amounts owed to other participating interests | 430 | 148,758 | - | 148,328 |
| Corporation tax | 53,298 | 20,922 | 53,237 | 19,961 |
| Other taxation and social security | 71,529 | 76,312 | 71,529 | 76,312 |
| Obligations under finance lease and hire purchase contracts | 37,446 | 20,484 | 37,446 | 20,484 |
| Other creditors | 107,616 | 107,144 | 107,561 | 104,481 |
| Accruals and deferred income | 1,300,134 | 681,391 | 1,295,510 | 669,805 |
| | <u>4,717,551</u> | <u>4,272,043</u> | <u>4,713,670</u> | <u>4,257,862</u> |

The bank loans are secured by the way of a debenture over all assets of the Company.

Hire purchase liabilities are secured over the assets that they fund.

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

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 2,630 | 20,238 | 2,630 | 20,238 |
| Net obligations under finance leases and hire purchase contracts | 18,082 | 24,333 | 18,082 | 24,333 |
| | <u>18,082</u> | <u>24,333</u> | <u>18,082</u> | <u>24,333</u> |

STORM PROCUREMENT LIMITED

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

22. Loans

Analysis of the maturity of loans is given below:

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Amounts falling due within one year | | | | |
| Bank loans | 466,702 | 17,609 | 466,702 | 17,609 |
| Amounts falling due 1-2 years | | | | |
| Bank loans | 1,467 | 17,609 | 1,467 | 17,609 |
| Amounts falling due 2-5 years | | | | |
| Bank loans | 1,163 | 2,629 | 1,163 | 2,629 |
| | <u>469,332</u> | <u>37,847</u> | <u>469,332</u> | <u>37,847</u> |

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|-------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Within one year | 37,446 | 20,484 | 37,446 | 20,484 |
| Between 1-5 years | 18,082 | 24,333 | 18,082 | 24,333 |
| | <u>55,528</u> | <u>44,817</u> | <u>55,528</u> | <u>44,817</u> |

STORM PROCUREMENT LIMITED

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

24. Deferred taxation**Group**

| | |
|-------------------------------|---------------|
| | 2023 |
| | £ |
| At beginning of year | (19,045) |
| Charged to the profit or loss | 34,077 |
| At end of year | 15,032 |

Company

| | |
|-------------------------------|---------------|
| | 2023 |
| | £ |
| At beginning of year | (19,294) |
| Charged to the profit or loss | 34,106 |
| At end of year | 14,812 |

| | Group | <i>Group</i> | Company | <i>Company</i> |
|--------------------------------|---------------|-----------------|----------------|-----------------|
| | 2023 | <i>2022</i> | 2023 | <i>2022</i> |
| | £ | <i>£</i> | £ | <i>£</i> |
| Accelerated capital allowances | 26,223 | (4,479) | 26,003 | (4,728) |
| Pension surplus | (1,335) | (2,066) | (1,335) | (2,066) |
| Provision | (9,856) | (12,500) | (9,856) | (12,500) |
| | 15,032 | <i>(19,045)</i> | 14,812 | <i>(19,294)</i> |

25. Share capital

| | | |
|---|--------------|--------------|
| | 2023 | 2022 |
| | £ | £ |
| Authorised, allotted, called up and fully paid | | |
| 4,571 (2022 - 4,571) Ordinary Shares shares of £1.00 each | 4,571 | 4,571 |

STORM PROCUREMENT LIMITED

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

26. Reserves

Profit and loss account

Includes all current and prior period profits and losses.

27. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £63,004 (2022: £42,557). Contributions totalling £11,344 (2022: £8,265) were payable to the fund at the balance sheet date and are included in creditors.

28. Commitments under operating leases

At 31 December 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | Group 2023 £ | <i>Group 2022 £</i> | Company 2023 £ | <i>Company 2022 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Not later than 1 year | 197,684 | <i>202,101</i> | 197,684 | <i>202,101</i> |
| Later than 1 year and not later than 5 years | 373,850 | <i>543,218</i> | 373,850 | <i>543,218</i> |
| | 571,534 | <i>745,319</i> | 571,534 | <i>745,319</i> |

STORM PROCUREMENT LIMITED

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

29. Related party transactions

The company has taken advantage of the exemption conferred by the FRS 102 not to disclose transactions with wholly owned subsidiaries on the grounds that consolidated financial statements are available from the registered office.

Directors are deemed key management personnel of the company and their remuneration is disclosed in note 8.

During the year the company entered into the following related party transactions on normal commercial terms:

| | 2023 £ | 2022 £ |
|---|-----------|-----------|
| Purchases from other related parties | 323,701 | 470,324 |
| Owed to other related parties at year end | 24,404 | 148,328 |
| | 348,105 | 618,652 |

P Alexander, a director and shareholder, owes the Company £62,277 (2022: £71,804), S Addis, a director, owes the Company £135 (2022: £493) and S Kimpton, a director, owes the Company £449 (2022: £Nil). The loans are interest free with no fixed repayment date.

J Brooker is a director and shareholder of Storm Technologies Limited, which guarantees the company's overdraft facility. J Brooker, owes the Company £26,150 (2022: £26,150).

30. Post balance sheet events

The shares held by the majority shareholder were transferred on 1 June 2024 to Storm Technologies Group Limited.

31. Controlling party

The controlling party during the year was J Brooker by virtue of his majority shareholding.