

Registered number: 6509923

THE REED BOARDALL GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024



THE REED BOARDALL GROUP LIMITED

COMPANY INFORMATION

Directors	M K Boardall S K Roberts A L Baldwin S P Town
Company secretary	S K Roberts
Registered number	6509923
Registered office	Bar Lane Boroughbridge North Yorkshire YO51 9NN
Independent auditor	Grant Thornton UK LLP Statutory Auditor, Chartered Accountants No 1 Whitehall Riverside Leeds West Yorkshire LS1 4BN
Bankers	HSBC Bank plc 7 Prospect Crescent Harrogate North Yorkshire HG1 1RN

THE REED BOARDALL GROUP LIMITED

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THE REED BOARDALL GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2024

Introduction

The Group is engaged in the provision of cold storage facilities and transport services to a number of major retailers and food manufacturers. We operate a cold storage facility in Boroughbridge with a storage capacity of some 168,000 pallets and a large fleet of temperature-controlled vehicles. We also have areas dedicated to ancillary services associated with the storage of frozen food and ingredients such as blast freezing, picking and packing.

Business review

Group turnover in the year to March 2024 increased by 3.2% in comparison with the previous year. Year on year our volumes increased over all activities of the Group.

Labour shortages had a lower impact in the year than previous periods as we continued to invest in training, remuneration and recruitment across the Group. During the financial year we had trained another 30 new recruits from scratch to become qualified HGV drivers as part of our in-house driver academy, taking our total to over 80 since the scheme began.

The profit before taxation was £2.51m, compared to £1.39m profit in the previous year.

Net assets have increased from £58.49m to £60.53m, due to the profit in the year of £2.51m less £723k corporation tax.

Principal risks and uncertainties

The most important financial risk managed by the Group is the credit risk associated with the Group's trade debtors. The directors continue to maintain rigorous credit control procedures to ensure that this risk is managed properly. Furthermore, most customer contracts, as is common in the industry, have provisions for the group to exercise a lien over goods in store in the event of non-payment of debt. This safeguard of last resort has been used successfully in the past when customers have entered administration.

In common with all transport businesses in the UK we operate within the strict regulations which govern road transport including those concerning the condition of vehicles and the limitations on drivers' time. We adhere meticulously to these regulations and have systems of review and reporting in place to ensure that we retain our good reputation and our licence without which we would not be permitted to operate.

Competition is a risk posed to the Group although the barriers to entry for our industry make it harder for new competitors to enter the market. There is always an underlying risk from existing competitors. It is not uncommon for customers to move between the big competitors in the marketplace, and we are constantly looking to maintain the right customer balance between inbound and outbound deliveries, plus the life cycle of pallets in store.

The carrying value of investments in subsidiary companies is disclosed at measured cost less impairment. The directors review the investments held by the Group for impairment annually.

THE REED BOARDALL GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Financial key performance indicators

The net profit percentage for the year before tax was 1.9% compared to 1.1% profit in the previous year.

The Group's gearing ratio has decreased from 17.7% last year to 14.8% this year because of the reduction of loans by repayments made.

Average store utilisation for the year was higher than last year partly due to the increased capacity from the extension being fully utilised. A large portion of the Group's turnover and profit is predicated on the volume of stock in store and so the increase in turnover reflects changes in capacity.

The future

The Group's performance continues to prove the success of our strategy based on a single facility where we are able to serve all our customers' needs efficiently.

In April 2024 a large customer advised us of their intention to move their account to a competitor around halfway through the financial year ahead. The customer has not yet completed this transition, but new customers have already joined us, along with additional new volumes from our existing customers. We have also secured contracts with prestigious well known new customers which will start imminently once capacity allows. Transport only work has continued to grow since the start of the new financial year, demonstrating the Company's ability to quickly adapt to opportunities presented in the market and we are forecasting to be operating at full utilisation in the warehouse by the end of the financial year.

As part of our ongoing exploration to reduce our carbon footprint, we have been trialling some fully electric tractor units during the year as well as trials with alternative to diesel solutions for both trailers and tractors.

The financial year ahead looks positive as the Group continues to develop its strong position in the marketplace and we will continue to prove the success of our single site strategy where we are able to serve all our customer needs efficiently.

THE REED BOARDALL GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Directors' statement of compliance with duty to promote the success of the Group

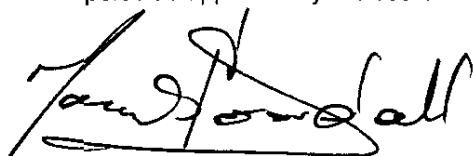
Under S.172 of the Companies Act 2006 directors of UK companies have a duty to promote the success of their Group for the benefit of the members as a whole and, in doing so, have regard to:

- a. the likely consequences of any decision in the long term;
- b. the interests of the company's employees;
- c. the need to foster the company's business relationships with suppliers, customers and others;
- d. the impact of the company's operations on the community and the environment;
- e. the desirability of the company maintaining a reputation for high standards of business conduct; and
- f. the need to act fairly between members of the Group and its subsidiaries.

The Group is long standing and prides itself for being at the forefront of the cold storage and distribution sector. It has over many years built up an admirable reputation for its quality of service and can-do attitude. The biggest asset of the Group is its workforce who are dedicated and highly trained and the Group continues to innovate and grow based on its strong heritage and financial strength. The directors consider the following areas to be of key importance in its fulfilment of this duty:

- carrying out detailed planning and forecasting to ensure the ongoing financial safety and continued growth of the business;
- investing in our employees by providing high quality training and continued development and support, having a specialised training team and providing opportunity for progression and by providing a range of free to access health benefits and reward schemes;
- maintaining the highest standards of integrity and honesty in the Company's dealings with employees, customers, suppliers, the general public and local and national government;
- prioritising the maintenance of the highest standards of health and safety and environmental protection through investment in training, equipment and staff awareness;
- working with the local community and listening to their views and feedback and investing in projects to help support local good causes; and
- identifying new and innovative solutions to reducing the impact of our business on the environment by reducing our carbon consumption, water usage and waste production; and
- investing in new technology and practices to improve efficiencies in collaboration with our customers and suppliers.

This report was approved by the board on 17 September 2024 and signed on its behalf.



M K Boardall
Director

THE REED BOARDALL GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the 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 the director has 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 financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 £1,783,416 (2023 - £963,943).

Directors

The directors who served during the year were:

M K Boardall
S K Roberts
A L Baldwin
S P Town

THE REED BOARDALL GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Engagement with employees

The Group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the business. This is achieved through consultations with employee representatives.

Disabled employees

Applications for employment by disabled people are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retrain where appropriate or make reasonable adjustments in the workplace in order that their employment with the Group may continue.

Qualifying third party indemnity provisions

Qualifying third party indemnity provisions to the benefit of the directors were in place during the period.

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.

Subsequent events

The increase to the investments and revaluation reserve in the year was due to a property revaluation carried out in order to dispose of the assets in the investment company at market value. An agreement in principle to sell the properties owned by the investment was agreed in August 2024 and is expected to complete by the end of 2024.

Auditor

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

THE REED BOARDALL GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Streamline Energy and Carbon Report 2024

Summary

Reed Boardall Cold Storage Ltd's greenhouse gas emissions, reportable under SECR in 2023/24 were 43,144 tonnes CO₂e (2023: 41,518 tonnes CO₂e).

These include the emissions associated with UK electricity and natural gas consumption, and business travel in company and private vehicles by employees. Also included are details of the HGV fleet operated by Reed Boardall Transport Limited.

Greenhouse gas emissions by year (tonnes CO₂e)

	2024	Share %	2023	Share %
Emissions source				
Fuel combustion: stationary	10,350	24	4,118	10
Fuel combustion: mobile	29,306	68	31,994	77
Purchased electricity	3,488	8	5,406	13
Total emissions (tCO ₂ E)	43,144	100	41,518	100
Revenue £	91,687,000		88,810,000	
Intensity (tCO ₂ e per £m)	470		468	

Greenhouse gas emissions by scope (tonnes CO₂e)

	2024	Share %	2023	Share %
Scope				
1: Natural gas and company operated transport	39,654	92	36,111	87
2: Electricity	3,210	7	4,953	12
3: Grey fleet and electricity network distribution losses	280	1	454	1
Total	43,144	100	41,518	100

THE REED BOARDALL GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Energy consumption by year (kWh)

	2024	Share %	2023	Share %
Emissions source				
Natural gas	56,386,031	29	22,427,824	12
Electricity and T&D losses	15,501,866	8	25,611,364	14
Transport fuel	122,580,714	63	132,667,494	74
Total	194,468,611	100	180,706,682	100

Boundary, methodology and exclusions

Operational control has been selected as the main criterion for inclusion of energy use and associated emissions data within this report, i.e., it includes all such emissions of operations where Reed Boardall Cold Storage Limited has operational control over and has the full authority to introduce and implement its operating policies at these facilities.

Only emissions from UK business activities are included. This boundary is relevant to the requirements of SECR.

Emissions have been calculated using the 2023/24 conversion factors provided by the UK Government. There are no omissions from the mandatory reporting scope. The SECR reporting period is April 2023 to March 2024, as per the financial accounts.

Energy efficiency initiatives

During the SECR reporting period the Company implemented some carbon offset projects to help reduce their carbon foot print. The following projects highlight the Groups' efforts to reduce carbon emissions;

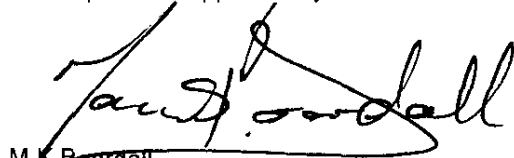
- Reed Boardall continues to replace lights with LED alternatives and has installed a Reverse Osmosis unit to reduce the energy used to create clean water obtained from the bore hole, during the reporting period under review.
- The Company installed PIRs to most areas of their buildings to reduce the amount of 'on' time lighting and has increased the frequency of the dock cooler cleaning.
- The Organisation has entered a contract to lease two electric trucks, these will be operational in the first half of financial year ending March 2025.
- Future consideration for an ammonia absorption plant in line with the CHP to convert the heat into super chilled air for the cold stores.
- Ongoing benchmarking ensuring best practices are maintained and improved upon within the plant including power factor corrections and the load profile of compressors site wide.

No "green" electricity tariffs or other market-based instruments were used in 2023/24 in the form of certified or uncertified carbon offsets. These may be considered in the future. However, the focus is on delivering true emission reduction.

THE REED BOARDALL GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

This report was approved by the board on 17 September 2024 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'M K Boardall', written over a horizontal line.

M K Boardall
Director

THE REED BOARDALL GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE REED BOARDALL GROUP LIMITED

Opinion

We have audited the financial statements of The Reed Boardall Group Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2024, which comprise the Consolidated Income statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2024 and of the Group's profit for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

THE REED BOARDALL GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE REED BOARDALL GROUP LIMITED (CONTINUED)

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and the Parent Company's business model including effects arising from macro-economic uncertainties such as the current economic climate, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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 and 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.

Other information

The other information comprises the information included in the Annual Report and financial statements, other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual 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 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.

THE REED BOARDALL GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE REED BOARDALL GROUP LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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.

Responsibilities of directors for the financial statements

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.

THE REED BOARDALL GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE REED BOARDALL GROUP LIMITED (CONTINUED)

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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and Company and we determined that the laws and regulations most directly relevant to specific assertions in the financial statements are those related to the reporting framework (being FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland' and the Companies Act 2006) and relevant tax legislation in the UK. In addition, we concluded that there are certain significant laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements such as health and safety regulations, food safety regulations, transport regulations and employment law;
- We obtained an understanding of how the Group and the Company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for compliance procedures. We corroborated our inquiries by performing a legal and professional expenses review;
- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by making enquiries of management and those charged with governance, and updating our understanding of the Group's and the Company's operations, financial reporting obligations and control environment, including around compliance with laws and regulations. We considered the risk of fraud to be higher through the potential for management override of controls.
- Audit procedures performed by the engagement team included:
 - identifying and assessing the design and implementation of controls management has in place to prevent and detect fraud, particularly around journal processing;
 - journal entry testing, with a focus on journals meeting our defined risk criteria based on our understanding of the business;
 - challenging assumptions and judgements made by management relating to its areas of significant estimation and judgement;
 - reviewing legal and professional expenditure in the financial year to assess for any indicators of non-compliance with relevant laws and regulations; and
 - completion of audit procedures to conclude on the compliance of disclosures in the annual report and accounts with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial

THE REED BOARDALL GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE REED BOARDALL GROUP LIMITED (CONTINUED)

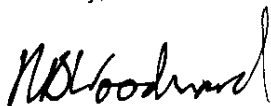
statements, the less likely we would become aware of it;

- Assessment by the engagement partner of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - knowledge of the industry in which the Group and the Company operates and understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation; and
 - *understanding of the legal and regulatory requirements specific to the Group and the Company.*
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.



Richard Woodward BA FCA (Senior Statutory Auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor, Chartered Accountants

Leeds

17 September 2024

THE REED BOARDALL GROUP LIMITED

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Turnover	4	91,687,597	88,817,291
Cost of sales		(81,206,158)	(80,222,596)
Gross profit		10,481,439	8,594,695
Administrative expenses		(7,723,734)	(6,922,701)
Exceptional administrative income		500,000	231,947
Operating profit	5	3,257,705	1,903,941
Income from other participating interests		11,669	35,420
Interest receivable	9	817	470
Interest payable and similar expenses	10	(764,202)	(551,186)
Profit before tax		2,505,989	1,388,645
Tax on profit	11	(722,573)	(424,702)
Profit for the financial year		1,783,416	963,943
Profit for the year attributable to:			
Owners of the parent		1,783,416	963,943
		1,783,416	963,943

There are no items of other comprehensive income for 2024 or 2023 other than the profit for the year.

The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Profit for the financial year		1,783,416	963,943
Total comprehensive income for the year		1,783,416	963,943
Profit for the year attributable to:			
Owners of the parent Company		1,783,416	963,943
		1,783,416	963,943

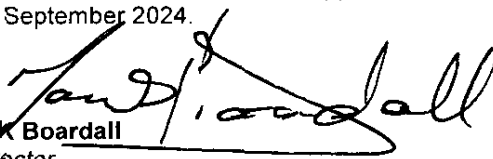
The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED
REGISTERED NUMBER: 6509923

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	14	3,689,728	3,452,434
Tangible assets	15	56,352,150	57,689,035
Investments	16	567,539	335,870
		<u>60,609,417</u>	<u>61,477,339</u>
Current assets			
Stocks	17	666,435	680,131
Debtors	18	20,523,545	17,695,848
Cash at bank and in hand	19	689,598	1,429,312
		<u>21,879,578</u>	<u>19,805,291</u>
Creditors: amounts falling due within one year	20	<u>(9,948,104)</u>	<u>(10,047,185)</u>
Net current assets		<u>11,931,474</u>	<u>9,758,106</u>
Total assets less current liabilities		<u>72,540,891</u>	<u>71,235,445</u>
Creditors: amounts falling due after more than one year	21	(7,452,307)	(8,911,350)
Provisions for liabilities			
Deferred taxation	24	<u>(4,561,366)</u>	<u>(3,838,793)</u>
		<u>(4,561,366)</u>	<u>(3,838,793)</u>
Net assets		<u>60,527,218</u>	<u>58,485,302</u>
Capital and reserves			
Called up share capital	25	130,740	130,740
Share premium account	26	41,002,760	41,002,760
Revaluation reserve	26	331,460	72,960
Profit and loss account	26	19,062,258	17,278,842
Equity attributable to owners of the parent Company		<u>60,527,218</u>	<u>58,485,302</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 September 2024.


M J Boardall
 Director

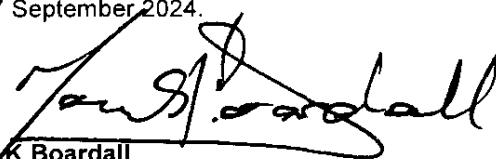
The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED
REGISTERED NUMBER:6509923

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	16	46,399,586	46,399,586
Current assets			
Debtors	18	51,473	38,620
Cash at bank and in hand	19	433,183	491,422
		<u>484,656</u>	<u>530,042</u>
Creditors: amounts falling due within one year	20	(61,380)	(60,167)
Net current assets		<u>423,276</u>	<u>469,875</u>
Total assets less current liabilities		<u>46,822,862</u>	<u>46,869,461</u>
Net assets		<u><u>46,822,862</u></u>	<u><u>46,869,461</u></u>
Capital and reserves			
Called up share capital	25	130,740	130,740
Share premium account	26	41,002,760	41,002,760
Profit and loss account		5,689,362	5,735,961
		<u><u>46,822,862</u></u>	<u><u>46,869,461</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 17 September 2024.


M.K. Boardall
 Director

The notes on pages 25 to 46 form part of these financial statements.

Parent Company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The loss after tax of the parent Company for the year was (£46,599) (2023: profit of £14,677).

THE REED BOARDALL GROUP LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024**

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2023	130,740	41,002,760	72,960	17,278,842	58,485,302
Comprehensive income for the year					
Profit for the year	-	-	-	1,783,416	1,783,416
Total comprehensive income for the year	-	-	-	1,783,416	1,783,416
On revaluation of investment	-	-	258,500	-	258,500
At 31 March 2024	130,740	41,002,760	331,460	19,062,258	60,527,218

THE REED BOARDALL GROUP LIMITED

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

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2022	130,740	41,002,760	72,960	16,314,899	57,521,359
Comprehensive income for the year					
Profit for the year	-	-	-	963,943	963,943
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>963,943</u>	<u>963,943</u>
At 31 March 2023	<u>130,740</u>	<u>41,002,760</u>	<u>72,960</u>	<u>17,278,842</u>	<u>58,485,302</u>

The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2024**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2023	130,740	41,002,760	5,735,961	46,869,461
Comprehensive income for the year				
Loss for the year	-	-	(46,599)	(46,599)
Total comprehensive income for the year	-	-	(46,599)	(46,599)
At 31 March 2024	130,740	41,002,760	5,689,362	46,822,862

The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED

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

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	130,740	41,002,760	5,721,284	46,854,784
Comprehensive income for the year				
Profit for the year	-	-	14,677	14,677
	<u>-</u>	<u>-</u>	<u>14,677</u>	<u>14,677</u>
Total comprehensive income for the year				
	<u>-</u>	<u>-</u>	<u>14,677</u>	<u>14,677</u>
At 31 March 2023	<u>130,740</u>	<u>41,002,760</u>	<u>5,735,961</u>	<u>46,869,461</u>

The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
Cash flows from operating activities		
Profit for the financial year	1,783,416	963,943
Adjustments for:		
Amortisation of intangible assets	422,505	434,755
Depreciation of tangible assets	2,486,374	2,395,661
Loss on disposal of tangible assets	765	(11,061)
Interest paid	764,202	551,186
Interest received	(12,486)	(35,890)
Taxation charge	722,573	424,702
Decrease/(increase) in stocks	13,697	(87,364)
(Increase)/decrease in debtors	(2,800,368)	521,207
(Decrease)/increase in creditors	(116,738)	1,267,761
Corporation tax received	-	55,585
Net cash generated from operating activities	3,263,940	6,480,485
Cash flows from investing activities		
Purchase of intangible fixed assets	(659,799)	(417,653)
Purchase of tangible fixed assets	(1,150,850)	(744,296)
Sale of tangible fixed assets	596	26,250
Interest received	817	470
HP interest paid	(2,161)	(932)
Income from investments in related companies	11,669	35,420
Net cash from investing activities	(1,799,728)	(1,100,741)

THE REED BOARDALL GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Cash flows from financing activities		
Repayment of loans	(1,460,000)	(1,460,000)
Repayment of/new finance leases	18,115	(8,068)
Interest paid	(762,041)	(550,254)
Net cash used in financing activities	(2,203,926)	(2,018,322)
Net (decrease)/increase in cash and cash equivalents	(739,714)	3,361,422
Cash and cash equivalents at beginning of year	1,429,312	(1,932,110)
Cash and cash equivalents at the end of year	689,598	1,429,312
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	689,598	1,429,312
	689,598	1,429,312

The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2024**

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	1,429,312	(739,714)	689,598
Debt due	(10,340,000)	1,460,000	(8,880,000)
Finance leases	(35,111)	(18,115)	(53,226)
	<u>(8,945,799)</u>	<u>702,171</u>	<u>(8,243,628)</u>

The notes on pages 25 to 46 form part of these financial statements.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The Company is limited by shares, incorporated in the United Kingdom and registered in England and Wales.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with *Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom 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 management to exercise judgement in applying the Group's accounting policies (see note 3).

The Group's functional and presentational currency is Sterling (£).

The Group's accounting reference date is 31 March. The Group's revenue and costs are included up to the Saturday nearest to the accounting reference date annually therefore the financial statements, for these items, are made up to 30 March 2024 for the current financial year with the comparative being for the year to 25 March 2023. This in line with the requirements of the Companies Act as it falls within 7 days of the accounting reference date. Cash, trade debtors and trade payables are as at 31 March each year.

FRS102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders. The company has taken advantage of the following exemptions in the individual financial statements of The Reed Boardall Group Limited:

- From preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows.
- From the financial instrument disclosures, required under FRS102 paragraphs 11.39 to 11.48A and paragraphs 12.28 to 12.29, as the information is provided in the disclosures in the consolidated financial statements.
- From disclosing the company's key management personnel compensation, as required by FRS102 paragraph 33.7.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of Group and its own subsidiaries ("the Group") as they formed 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 Statement of financial position, 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 income statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.3 Going concern

The directors have adopted the going concern basis in preparing these financial statements after assessing the principal risks to the Group over the financial year under review and for the foreseeable future.

The level of uncertainty over the next twelve months due to the impact of interest rates and inflation has reduced, as inflation has dropped significantly, and interest rates have been reasonably static. The directors have considered the impact of the economic environment on the business for the next twelve-month viability period and the longer term, including the loss of a major customer and the assumptions and timing of replacement with new customers and additional volume from existing customers. They have considered the potential impact on sales, profits, and cash flows and they believe that the business will continue to prove resilient. The Group continues to have liquidity headroom on existing facilities and fully expects to continue to comfortably meet its financial covenants over the next twelve months.

The Group consistently generates free cash, and the directors believe that the Group is well placed to manage its financing and other business risks satisfactorily. They fully expect that the Group will have adequate resources to continue in operation for at least twelve months from the signing date of these financial statements. The directors have reviewed a detailed forecast up to December 2025 and considered key variables which may potentially occur including workings around interest rates, energy costs and potential variables around increases in costs generally. The Group has an overdraft facility and did not utilise it in the year, but the forecasts suggest that the overdraft will not be used during the forecast period. The directors believe that this facility will continue to be renewed under satisfactory terms during the forecast period. The directors have assessed all the above including forecasting performance against the bank covenants in their going concern assessment and do not anticipate any breach during the forecast period. They therefore consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue is recognised when goods are received into store or when other services are carried out. Revenue from transport activities is recognised when deliveries are made.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Income statement over its useful economic life.

Other 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.

Amortisation is charged to administration costs in the profit and loss account.

Amortisation is provided on the following bases:

Software	-	25 % on a straight line basis
Goodwill	-	5 % on a straight line basis

2.6 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. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

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:

Freehold property	-	2% - 10% on a straight line basis
Plant & machinery	-	5% - 50% on a straight line basis
Motor cars	-	25% on a straight line basis
Office equipment	-	25% - 50% on a straight line basis

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.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.7 Revaluation of tangible fixed assets

The directors have opted to deem revalued amounts as cost under the transitional rules permitted by FRS102.

2.8 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

The Group's investment in the partnership is measured as the percentage share owned of the net assets including any revaluation of assets within the partnership.

2.10 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 first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting 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.

2.11 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.

2.12 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.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.13 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.

The Group has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 within the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.13 Financial instruments (continued)

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 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.

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

2.14 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.

2.15 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Income Statement in the same period as the related expenditure.

2.16 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.

2.17 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.18 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 Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.19 Borrowing costs

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

2.20 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. Accounting policies (continued)

2.21 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 reporting 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 reporting 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 reporting date.

2.22 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

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

The useful life used to amortise intangible assets and depreciate tangible fixed assets relates to the expected future performance of the assets acquired and the director's judgement of the period over which economic benefit will be derived from the asset. This is reviewed annually for appropriateness.

The Group reviews and uses judgement over all leases it enters into to ensure they meet the criteria to be classed as operating leases and not finance leases.

The Group has recognised provisions for employee bonuses, income tax, impairment to other debtors, and impairment to trade receivables in its financial statements which requires management to make judgements. The judgements, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors.

The Group has tested goodwill for impairment which requires judgement when determining the recoverable amount.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

4. Turnover

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

	2024 £	2023 £
Cold storage services	66,894,504	63,595,869
Transport services	24,366,584	24,852,539
Vehicle servicing	426,509	368,883
	<u>91,687,597</u>	<u>88,817,291</u>

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2024 £	2023 £
Depreciation on tangible fixed assets	2,486,374	2,395,659
Amortisation of intangible assets, including goodwill	422,505	434,755
Other operating lease rentals	<u>12,806,315</u>	<u>11,762,149</u>

6. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Company's auditor for the audit of the financial statements of the parent company and its subsidiaries	<u>55,650</u>	<u>53,000</u>

Of the amount above, £5,650 (2023: £3,000) relates to the audit of the financial statements of the parent company and £50,000 (2023: £50,000) relates to the audit of its subsidiaries.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

7. Employees

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

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	32,043,233	27,530,845	-	-
Social security costs	3,294,466	2,963,848	-	-
Cost of defined contribution scheme	815,646	693,720	-	-
	36,153,345	31,188,413	-	-

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

	Group 2024 No.	Group 2023 No.	Company 2024 No.	Company 2023 No.
Cold storage	414	373	-	-
Haulage and transport contracting	451	403	-	-
Service of motor vehicles	10	9	-	-
Directors	4	4	4	4
	879	789	4	4

The Company has no employees other than directors, who did not receive any remuneration (2023 - £Nil).

8. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	549,953	506,230
Group contributions to defined contribution pension schemes	18,900	17,610
	568,853	523,840

During the year retirement benefits were accruing to 4 directors (2023 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £149,044 (2023 - £140,992).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,140 (2023 - £3,915).

Key management personnel compensation was £729,386 (2023: £651,898).

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. Interest receivable

	2024 £	2023 £
Other interest receivable	817	470

10. Interest payable

	2024 £	2023 £
Bank interest payable	761,821	550,010
Other loan interest payable	220	244
Finance leases and hire purchase contracts	2,161	932
	764,202	551,186

11. Taxation

	2024 £	2023 £
Corporation tax		
Adjustments in respect of previous periods	-	1,881
	-	1,881
Total current tax	-	1,881
Deferred tax		
Origination and reversal of timing differences	720,325	424,059
Adjustments in respect of prior periods	2,248	(1,238)
Total deferred tax	722,573	422,821
Taxation on profit on ordinary activities	722,573	424,702

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023 - higher than) the standard rate of corporation tax in the UK of 25% (2023 - 19%). The differences are explained below:

	2024 £	2023 £
Profit on ordinary activities before tax	2,505,990	1,388,645
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 19%)	626,498	263,843
Effects of:		
Expenses not deductible for tax purposes	109,473	84,416
Remeasurement of deferred tax for changes in tax rate	-	107,029
Adjustments to tax charge in respect of prior periods	2,248	643
Fixed asset differences	109,354	36,858
Movement in deferred tax not recognised	-	(21,838)
Non-taxable income	(125,000)	(46,249)
Total tax charge for the year	722,573	424,702

12. Dividends

Since the year end the directors have not paid any dividends nor proposed any.

13. Exceptional items

	2024 £	2023 £
Reversal of impairment on related party loan	(500,000)	(231,947)
	(500,000)	(231,947)

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

14. Intangible assets

Group

	Software £	Goodwill £	Total £
Cost			
At 1 April 2023	5,274,282	6,012,278	11,286,560
Additions	659,799	-	659,799
At 31 March 2024	5,934,081	6,012,278	11,946,359
Amortisation			
At 1 April 2023	3,303,502	4,530,624	7,834,126
Charge for the year on owned assets	121,891	300,614	422,505
At 31 March 2024	3,425,393	4,831,238	8,256,631
Net book value			
At 31 March 2024	2,508,688	1,181,040	3,689,728
At 31 March 2023	1,970,780	1,481,654	3,452,434

Included in the Software totals above are six large projects which are identified below;

Software which processes payroll information directly from electronic time sheets has 6 years remaining to amortise over with a net book value of £94k (2023: £110k).

Software which electronically creates load plans has 4 years remaining to amortise over with a net book value of £147k (2023: £176k).

Software which electronically creates booking plans has 5 years remaining to amortise over with a net book value of £202k (2023: £235k).

Software which manages the movement of trailers and shunters across site was still under development at 31 March 2024 and has a net book value of £1.46m (2023: £1.23m). The asset is now in use from April 2024.

Software which automates invoicing directly from electronic delivery schedules is under development and has a net book value of £295k (2023: £101k).

A new traffic management system which is still under development as at 31 March 2024 and has a net book value of £174k (2023: Nil).

The amortisation charge is recorded in administrative expenses in the profit and loss account.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Tangible fixed assets

Group

	Freehold property £	Assets under construction £	Vehicles, Plant & machinery and Office equipment £	Total £
Cost				
At 1 April 2023	57,335,261	1,414,779	24,302,111	83,052,151
Additions	189,101	279,107	682,642	1,150,850
Disposals	(68,479)	-	(451,069)	(519,548)
Transfers between classes	-	(1,693,886)	1,693,886	-
At 31 March 2024	57,455,883	-	26,227,570	83,683,453
Depreciation				
At 1 April 2023	11,646,940	-	13,716,176	25,363,116
Charge for the year on owned assets	1,082,818	-	1,403,556	2,486,374
Disposals	(68,477)	-	(449,710)	(518,187)
At 31 March 2024	12,661,281	-	14,670,022	27,331,303
Net book value				
At 31 March 2024	44,794,602	-	11,557,548	56,352,150
At 31 March 2023	45,688,321	1,414,779	10,585,935	57,689,035

THE REED BOARDALL GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2024	2023
	£	£
Plant and machinery	50,019	28,880

16. Fixed asset investments

Group

	Other fixed asset investments £
Cost and net book value	
At 1 April 2023	335,870
Revaluations	258,500
Share of profit/(loss)	(26,831)
At 31 March 2024	567,539

Company

	Investments in subsidiary companies £
Cost and net book value	
At 1 April 2023	46,399,586
At 31 March 2024	46,399,586

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

16. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Reed Boardall Holdings Limited	£1 Ordinary	100%
Reed Boardall Cold Storage Limited	10p Ordinary	100%
R B Holdings Limited	£1 Ordinary	100%
Reed Boardall Transport Holdings Limited	1p Ordinary	100%
Reed Boardall Transport Limited	£1 Ordinary	100%
Boroughbridge Motors Limited	£1 Ordinary	100%

For the period ended 31 March 2024, Reed Boardall Holdings Limited, R B Holdings Limited, Reed Boardall Transport Holdings Limited and Boroughbridge Motors Limited are exempt from the requirement for the audit of individual financial statements by virtue of s479A-479C exemption of the Companies Act 2006.

17. Stocks

	Group 2024 £	Group 2023 £
Raw materials and consumables	666,435	680,131

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

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

18. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade debtors	18,777,267	15,796,851	-	-
Amounts owed by group undertakings	-	-	26,441	15,533
Other debtors	221,668	124,311	3,268	-
Prepayments and accrued income	1,524,610	1,774,686	-	-
Other taxation and social security	-	-	-	1,260
Deferred taxation	-	-	21,764	21,827
	20,523,545	17,695,848	51,473	38,620

19. Cash and cash equivalents

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Cash at bank and in hand	689,598	1,429,312	433,183	491,422
	689,598	1,429,312	433,183	491,422

20. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank loans	1,460,000	1,460,000	-	-
Trade creditors	3,793,380	4,698,145	900	2,417
Other taxation and social security	2,225,661	1,794,637	-	-
Obligations under finance lease and hire purchase contracts	20,920	3,761	-	-
Other creditors	584,021	130,720	-	-
Accruals and deferred income	1,864,122	1,959,922	60,480	57,750
	9,948,104	10,047,185	61,380	60,167

Obligations under finance lease and hire purchase contracts are secured on the underlying assets.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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

	Group 2024 £	Group 2023 £
Bank loans	7,420,000	8,880,000
Net obligations under finance leases and hire purchase contracts	32,307	31,350
	<u>7,452,307</u>	<u>8,911,350</u>

22. Loans

Analysis of the maturity of loans is given below:

	Group 2024 £	Group 2023 £
Amounts falling due within one year		
Bank loans	1,460,000	1,460,000
Amounts falling due 1-2 years		
Bank loans	1,460,000	1,460,000
Amounts falling due 2-5 years		
Bank loans	5,960,000	7,420,000
	<u>8,880,000</u>	<u>10,340,000</u>

A bank loan of £7,500,000 is repayable in quarterly instalments over 5 years from 17 September 2021 with an interest rate of 2% above base. There is a final bullet payment due on 17 September 2026. The loan is secured by a floating debenture over the Group's assets.

A bank loan of £1,380,000 is repayable in quarterly instalments over 5 years from 11 January 2022 with an interest rate of 2% above base. The loan is secured by a floating debenture over the Group's assets.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2024 £	Group 2023 £
Within one year	20,920	8,865
Between 1-5 years	32,306	26,246
	<u>53,226</u>	<u>35,111</u>

24. Deferred taxation

Group

	2024 £
At beginning of year	(3,838,793)
Charged to profit or loss	(722,573)
At end of year	<u>(4,561,366)</u>

Company

	2024 £
At beginning of year	21,827
Charged to profit or loss	(63)
At end of year	<u>21,764</u>

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Accelerated capital allowances	(4,561,366)	(3,838,793)	21,764	21,827
	<u>(4,561,366)</u>	<u>(3,838,793)</u>	<u>21,764</u>	<u>21,827</u>

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

25. Share capital

	2024 £	2023 £
Allotted, called up and fully paid		
100 (2023 - 100) Preference shares of £1.00 each	100	100
130,640 (2023 - 130,640) Ordinary shares of £1.00 each	130,640	130,640
	130,740	130,740

Holders of ordinary shares have a right to vote at a general meeting, participate in dividends and participate in the distribution of capital in the event of a winding up.

Holders of preference shares have the right to a fixed non-cumulative dividend of 6 percent per annum. They have a right to repayment of the amount paid up on their shares in the event of a return of capital in preference to ordinary shareholders. They do not have a right to attend or vote at any general meeting.

26. Reserves

Share premium account

The share premium reserve is made up of the brought forward premium paid for the share capital.

Revaluation reserve

The revaluation reserve is made up of revaluations carried out historically of certain freehold properties.

Profit & loss account

The profit and loss account is made up of retained earnings brought forward from previous years plus the current year's profit, less any dividends paid.

27. Capital commitments

At 31 March 2024 the Company had completed the development and construction of a CHP Plant and achieved practical completion in April 2023. The amount the Company was committed to at the end of the year for this project was £nil (2023: £334k).

28. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £815,646 (2023 - £693,720). Contributions totalling £62,987 (2023 - £32,948) were payable to the fund at the reporting date and are included in creditors.

THE REED BOARDALL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

29. Commitments under operating leases

At 31 March 2024 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2024 £	Group 2023 £
Not later than 1 year	10,708,558	7,278,601
Later than 1 year and not later than 5 years	15,347,627	14,665,886
Later than 5 years	683,730	367,860
	<u>26,739,915</u>	<u>22,312,347</u>

30. Related party transactions

During the year one of the Group's subsidiaries was party to transactions with Bar Lane Properties Limited, a Company in which Mr M. Boardall and Mrs R. Barlow have a material interest. The loan provided by the Company to Bar Lane Properties Limited of £500,000 was settled during the year and the balance at 31st March 2024 was £nil (2023: £500,000) and the maximum amount outstanding during the year was £500,000 (2023: £2,295,918). The provision against this loan of £500,000 (2023: £500,000) was released during the year and credited to the profit and loss account in the year (see note 13).

During the year the Group and its subsidiaries invoiced £316 (2023 - £970) to Bar Lane Properties Limited. The closing balance as at 31 March 2024 was £nil (2023 - £nil). During the year Bar Lane Properties Limited invoiced the Group and its subsidiaries £20,000 (2023 - £nil). The closing balance as at 31 March 2024 was £nil (2023 - £nil).

During the year the Group and its subsidiaries also invoiced £1,903 (2023 - £189,237) to Cod Beck Blenders Limited, a Company in which Mr M. Boardall and Mrs R. Barlow have a material interest. During the year Cod Beck Blenders Limited invoiced the Group and its subsidiaries £5,868 (2023 - £9,481). The closing balance as at 31 March 2024 was £570 (2023 - £4,762).

Related party transactions are all carried out on an arms length basis.

31. Controlling party

At the reporting date the Groups and Company's ultimate controlling parties are Mr M. Boardall and Mrs R. Barlow by virtue of their shareholdings in the same Group and Company.