

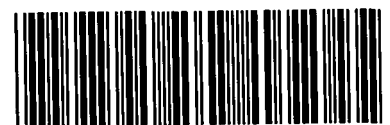
Registered number: 00137552

W & J LINNEY LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 APRIL 2023

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COMPANIES HOUSE

W & J LINNEY LIMITED

COMPANY INFORMATION

Directors	N S Linney M J H Linney C H C Linney
Company secretary	S Finn
Registered number	00137552
Registered office	Adamsway Mansfield Nottingham NG18 4FW
Independent auditor	Cooper Parry Group Limited Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA
Bankers	HSBC Bank Plc East Midlands Corporate Banking Centre Donington Court Pegasus Business Park Herald Way Castle Donington DE74 2BU Barclays Bank PLC PO Box 299 Birmingham B1 3PF
Solicitors	Browne Jacobson Castle Meadow Road Nottingham NG2 1BJ

W & J LINNEY LIMITED

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W & J LINNEY LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 APRIL 2023

Introduction

The directors present their report and the financial statements for the year ended 30 April 2023.

The company's principal activities during the year were in marketing services, supply chain management and in particular creative services, film, digital screen content management, insight, print, e-commerce support and distribution services. There have not been any significant changes to the company's principal activities in the year under review.

Business review

As shown in the profit and loss account on page 11, turnover has increased by 17.3% this year, from £99.2m to £116.4m. Profit after taxation for the year was £4.0m compared to £3.3m in 2022.

This year has seen a steady growth across all parts of the business. The increase in sales is part due to passing on material and some overhead increases, part growth from existing clients and some new business wins. Rising costs and rising interest rates; against a back drop of tough trading environments and continued unrest in Ukraine have made things challenging for us all but we continue to plough on with our plans and investments. As I write this review today I am particularly happy to report that only last week we have purchased more land adjacent to our existing site and have pre-planning approval to develop another 75,000 sq ft building on our current site.

Our investments during the year have all gone to plan and have settled down well. We are very excited about the work we continue to do in our Film and Animation area and the LED screens and software we bought this year have lifted us to another level. The desire and skill we have to progress this is matched by the encouragement and trust from our clients that we work with.

We have doubled our floor space, picking locations and robots in our fulfilment and e-commerce space. We have also purchased an automated packing/box making line to speed up our daily order requirement that has nearly doubled during the year. Whilst the near 40 robots have replaced the repetitive daily picking routines for our people I am pleased to both report and support the theory that new technology and robots don't replace people but do work alongside them as your business grows. This year we have increased our numbers employed by over 100 new people.

Mansfield, Nottinghamshire and the East Midlands remains a great place to find talented people and we have been very pleased to welcome all new starters this year. The great clients we have and the work we do allows us to attract the very best people and we hope in turn they feel emboldened to express themselves in the business. It's what we encourage and praise.

Looking ahead all our client development plans, new business pipeline, property and investment strategies and people recruitment and development plans are all in place and support our further plans for good, manageable growth. Our Client survey – our most important KPI – gives us both insight and encouragement that we are performing to a high standard and I'm always pleased to read the comments about our people. We all thank our clients for their help and guidance in taking the time to feedback on our performance and to share the direction of travel they are on and the support they need from us.

Like any business we measure our performance using both financial and non-financial criteria. Our financial key performance measures relate to sales, value-added, profit, average return on capital employed, stock turns and cash-flow. Client feedback and 3rd party audits remain a key part of our performance measurements.

Again, our accreditations for ISO 27001 (Information Security), ISO 14001 (Environmental) and our ISO 9001 (Quality Management) have all been successfully renewed.

We are pleased to report that our charitable contributions, mainly to Mansfield based organisations, was £127,000 for the 12 month period.

W & J LINNEY LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Future developments

The directors do not foresee any changes to the principal activity of the company. Trading remains strong, with performance being in line with expectations.

Principal risks and uncertainties

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. Where risks are identified that are not acceptable, action plans are developed to mitigate these with clear allocation of responsibilities and progress towards completion is monitored and reported on. The directors have identified the following key business risks that could have a material impact on the future performance of the company and the controls in place to manage the risk:

Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short-term flexibility is achieved by banking facilities. The company also has long term bank borrowing against which some of its fixed assets are secured.

Credit risk

The company's principal financial assets are cash and trade debtors. The principal credit risk arises therefore from its trade debtors. In order to manage credit risk, the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

Section 172 (1) Statement

The directors have acted in the way they consider, in good faith, promotes the success of the company for the benefit of its members as a whole, and in doing so have given regard to (amongst other matters):

People

We remain a very proud family business and employ many people in Mansfield, Nottinghamshire and the East Midlands. Our culture and approach is based on the very long term view and we are committed to attracting, recruiting and training great people.

We have had a busy year focusing on learning and development following the slowdown that inevitably happened over the covid period, and I am please to report we held 2,780 training days over the last 12 months. Our links with local schools and colleges continue to support initiatives around employability skills for secondary school students and in providing entry level work based training working alongside formal education programmes in areas such as warehousing and fulfilment.

I would particularly like to thank, on behalf of the whole business, our mentors that look after in excess of 150 work experience applicants that join us each year.

Details of the number of people and related costs can be found in note 7 of the financial statements.

Health and safety

The company promotes the Health and safety of all its employees as well as suppliers, customers or visitors whilst on our premises. We are committed as a company to prevent injury and ill health and strive towards continual improvement in all our operations. We consult with our employees, who have an active participation in all our activities that have a safety related context to eliminate hazards and reduce risks.

W & J LINNEY LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Section 172 (1) Statement (continued)

Environment

We remain a carbon neutral business through minimising our carbon emissions and offsetting those we cannot avoid. We are proud to be one of a handful of certified carbon balanced printing companies in the UK.

Our commitment to sustainability and responsible business practices remains a priority for us. We continue to actively pursue sustainability in all aspects of our operations and are dedicated to achieving a net-zero future. We have made strategic investments in solar energy and energy efficiency technologies, as well as the adoption of automation in fulfilment and packaging, reducing waste and moving towards leaner operations.

We continue to develop initiatives and benefit from the guidance of our dedicated sustainability council to ensure that sustainability is ingrained in our culture.

We are pleased to report improved ratings in our Carbon Disclosure Project assessments and have maintained the ISO 14001 accreditation (environmental management) and our Forestry Stewardship Council (FSC) Chain of Custody Certificate.

Disabled Persons

It is the company's policy to give full and fair consideration to suitable applications for employment from a person with a disability. Once employed, they receive equal opportunities for training, career development and promotion. Opportunities also exist for our people who become less-able to continue in their employment or to be trained for other positions within the company.

Employee involvement

The maintenance of a highly skilled workforce is essential to the future of the company. Every effort is made to ensure the future career development of our existing people, particularly in areas of new technology and quality. The health and safety at work of all our people is constantly reviewed by the directors to ensure the high standards set in previous years are maintained.

Modern Slavery Act 2015

The products and services delivered by the company are sourced from a broad range of both local and national suppliers. These supplier relationships are sourced and managed by the dedicated internal operational and management team.

The company has defined policies on legislation, child labour, conditions of employment, wages and benefits, health and safety and the environment. These policies have recently been updated to include our policy of anti-slavery and zero tolerance of human trafficking.

The company undertakes all reasonable and practical steps to ensure that standards are being implemented throughout the company's own operational and administrative business, along with that of our suppliers, in addition to local legislation and regulations being complied with. Any instances of non-compliance will be assessed on a case by case basis with appropriate remedial action when required.

The company will only trade with those who fully comply with this policy or are taking verifiable steps towards full compliance. This statement is approved and will be reviewed on a timely basis by the full Board of Directors pursuant to section 54(1) of the Modern Slavery Act 2015.

Shareholders

The management is committed and openly engaged with our Shareholders through regular Board Meetings and effective dialogue. The Shareholders and their representatives are actively engaged in understanding our strategy, culture, people and the performance of our shared objectives for the short, mid and longer terms.

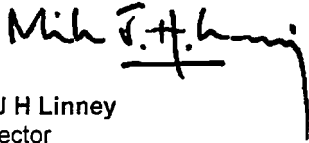
W & J LINNEY LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

Political donations

The company has not made any donations to any political party or organisation.

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

A handwritten signature in black ink, appearing to read 'M J H Linney', with a horizontal line under the first part of the signature.

M J H Linney
Director

Date: 20 October 2023

W & J LINNEY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2023

The directors present their report and the financial statements for the year ended 30 April 2023.

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 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 of the profit or loss of the company for that period.

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

- select suitable accounting policies for the company's 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 company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 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 £3,962,000 (2022: £3,279,000).

The company paid dividends of £3.2m (2022: £3.2m) to the holding company in the year.

Directors

The directors who served during the year and to the date of approval of these financial statements were:

N S Linney
M J H Linney
C H C Linney

W & J LINNEY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

Charitable contributions

During the year charitable donations totalled £127,000 (2022: £161,000).

Strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the directors' report..

W & J LINNEY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2023

Greenhouse gas emissions, energy consumption and energy efficiency action

UK Greenhouse gas emissions and energy use data for the period 2 May 2022 to 30 April 2023.

	2023	2022
The company's energy consumption used to calculate emissions (kWh)	12,317,198	13,633,856
Energy consumption breakdown (kWh):		
Gas	4,302,808	5,420,971
Electricity	7,330,530	7,597,522
Transport Fuel	417,837	423,625
Business Travel	266,023	191,739
Scope 1 - emissions in metric tonnes CO2e		
Gas consumption	785.43	817.00
Transport - Delivery Vans	217.97	227.64
Total - Scope 1	1,003.40	1,044.66
Scope 2 - emissions in metric tonnes CO2e		
Purchased electricity	1,417.58	1,613.18
Scope 3 - emissions in metric tonnes CO2e		
Business Travel - Car Expenses	63.57	46.31
Business Travel - Car Hire	1.67	1.09
Biomass Fuel	40.70	62.83
Fork Lift Gas	88.60	90.87
Total - Scope 3	194.54	201.09
Total emissions in metric tonnes CO2e	2,615.52	2,858.91
Intensity Ratio		
Sales	£116,445,938	£99,227,820
Carbon tonnes per £Million Sales	22.46	28.81

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in CO2e per £1,000,000 of sales.

Measures Taken to Improve Energy Efficiency

The company is active on a number of projects to improve its energy efficiency and reduce costs. The main areas are the installation of solar panels and replacing lights which are more energy efficient plus motion detection so they go off when not in use automatically. Linney's have already implemented a lot of this and there is more to be rolled out in the next 12 months.

W & J LINNEY LIMITED

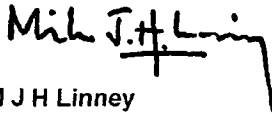
**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 APRIL 2023**

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'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's auditor is aware of that information.

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

A handwritten signature in black ink, appearing to read 'M J H Linney', with a stylized flourish at the end.

M J H Linney
Director

Date: 20 October 2023

W & J LINNEY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W & J LINNEY LIMITED

Opinion

We have audited the financial statements of W & J Linney Limited (the 'company') for the year ended 30 April 2023, which comprise the profit and loss account, the balance sheet, the 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 company's affairs as at 30 April 2023 and of its 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

W & J LINNEY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W & J LINNEY LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

W & J LINNEY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W & J LINNEY 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. 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:

Our assessment focused on key laws and regulations the entity has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with the framework, including a review of legal and professional nominal codes and board minutes in the year and post year end;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and sample testing of controls, including discussions with Directors, the Health and Safety Compliance manager and other management;
- obtaining an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment;
- obtaining an understanding and testing of the assumptions and calculations involved in the recognition of contracts, including reviews of cost allocation testing and review of the completeness of provisions for loss making contracts;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing the accounting estimates set out in note 2 for potential bias; and
- assessing key areas of estimation such as the provision for customer rebates and revenue recognition on long term contracts.

In response to the risk of irregularities in relation to non-compliance with laws and regulations, we have designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims and reviewing legal and professional expenses; and
- reviewing correspondence with HMRC.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

W & J LINNEY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W & J LINNEY LIMITED (CONTINUED)

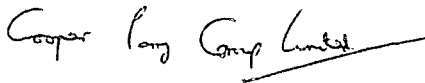
Auditor's responsibilities for the audit of the financial statements (continued)

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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



for and on behalf of
Cooper Parry Group Limited

Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 20 October 2023

W & J LINNEY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 APRIL 2023**

	Note	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Turnover	1,4,3	116,446	99,228
Cost of sales		(75,949)	(64,575)
Gross profit		40,497	34,653
Administration expenses		(26,655)	(22,673)
Distribution costs		(8,515)	(8,301)
Other operating income	4	226	877
Operating profit	5	5,553	4,556
Interest and similar charges	9	(665)	(583)
Profit before tax		4,888	3,973
Tax on profit	10	(926)	(694)
Profit for the financial year		3,962	3,279

There were no recognised gains and losses for 2023 or 2022 other than those included in the profit and loss account.

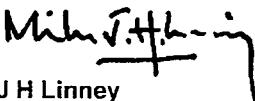
The notes on pages 16 to 33 form part of these financial statements.

W & J LINNEY LIMITED
REGISTERED NUMBER: 00137552

BALANCE SHEET
AS AT 30 APRIL 2023

	Note	30 April 2023 £000	1 May 2022 £000
Fixed assets			
Tangible fixed assets	12	12,403	9,290
Investments	13	20	20
		<u>12,423</u>	<u>9,310</u>
Current assets			
Stocks	14	3,988	3,635
Debtors	15	38,555	32,862
Cash at bank and in hand		1,094	929
		<u>43,637</u>	<u>37,426</u>
Creditors: amounts falling due within one year	16	<u>(37,687)</u>	<u>(32,027)</u>
Net current assets		<u>5,950</u>	<u>5,399</u>
Total assets less current liabilities		<u>18,373</u>	<u>14,709</u>
Creditors: amounts falling due after more than one year	17	(6,788)	(4,797)
Provisions for liabilities			
Deferred tax	19	(677)	234
Net assets		<u><u>10,908</u></u>	<u><u>10,146</u></u>
Capital and reserves			
Called up share capital	20	186	186
Capital redemption reserve	21	64	64
Profit and loss account	21	10,658	9,896
Shareholders' funds		<u><u>10,908</u></u>	<u><u>10,146</u></u>

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


M J H Linney
 Director

Date: 20 October 2023

The notes on pages 16 to 33 form part of these financial statements.

W & J LINNEY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2023**

	Share capital £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
At 2 May 2022	186	64	9,896	10,146
Profit for the financial year	-	-	3,962	3,962
Dividends paid to holding company	-	-	(3,200)	(3,200)
At 30 April 2023	186	64	10,658	10,908

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 1 MAY 2022**

	Share capital £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
At 3 May 2021	186	64	9,817	10,067
Profit for the financial year	-	-	3,279	3,279
Dividends paid to holding company	-	-	(3,200)	(3,200)
At 1 May 2022	186	64	9,896	10,146

The notes on pages 16 to 33 form part of these financial statements.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies

W & J Linney Limited (the "company") is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is shown on the company information page.

The financial statements are prepared in Sterling (£), which is the functional currency of the company and are presented in round thousands (£000). The financial statements are for the year ended 30 April 2023 (2022: year ended 1 May 2022).

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard (FRS) 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 the directors to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following accounting policies have been applied consistently throughout the year:

1.2 Disclosure exemptions

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemptions available under that standard in relation to the presentation of a cash flow statement, analysis of net debt, and the aggregate remuneration of key management personnel. Where required, equivalent disclosures are given in the parent company accounts. The parent company group accounts are available to the public and can be obtained as set out in note 24.

As the company is a wholly-owned subsidiary of a company whose consolidated accounts include the results of the subsidiary and are publicly available, the company has taken advantage of the FRS 102 Section 33.1A exemption from disclosing transactions with group undertakings.

1.3 Going concern

At the balance sheet date the company had a significant cash balance and net asset position and positive net current assets.

Based on the financial forecasts prepared by the directors the company will be able to operate within the facilities available to it. On that basis, the directors have prepared these financial statements on a going concern basis.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

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

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company 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.

Rendering of services

Turnover 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 turnover can be measured reliably;
- it is probable that the company 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.

The turnover shown in the profit and loss account also represents amounts due on contracts completed during the year adjusted for turnover attributable to long term work in progress, exclusive of value added tax and trade discounts.

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year-end, by recording turnover and related costs as contract activity progresses. Turnover and cost of sales are calculated as a percentage of direct costs used. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Cumulative turnover is compared with total payments on account. If turnover exceeds payments on account an amount recoverable on contract is recognised and separately disclosed within debtors. If payments on account are greater than turnover to date, the excess is classified as a deduction from work in progress, with a residual balance in excess of cost being classified within creditors.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.5 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 the directors.

The company 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 company. The carrying amount of the replaced part is derecognised.

Repairs and maintenance are charged to the profit and loss account 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 bases:

- | | |
|---|----------------|
| • Plant and machinery | - 5 - 15 years |
| • Furniture, fittings, equipment and motor vehicles | - 1 - 20 years |

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 within 'administrative expenses' in the profit and loss account.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately in the profit and loss account.

1.6 Assets in the course of construction

Assets in the course of construction are capitalised and included within tangible fixed assets on the balance sheet. These assets are not depreciated until they have been brought fully into use. At this point the assets are transferred out of assets in the course of construction into the relevant category of tangible fixed assets.

1.7 Valuation of investments

Investments in subsidiaries are initially valued at cost and reviewed annually for signs of impairment. If an impairment loss is identified this is recognised immediately in the profit and loss account and the value of the investment is reduced accordingly.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the year.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.8 Stocks and work in progress

Stocks are stated at 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 the profit and loss account.

1.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from short term banking facilities and loans with related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

1.10 Foreign currency translation

Foreign currency transactions are translated into the functional currency using the spot exchange rate at the date of the transaction.

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 are not retranslated.

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 the profit and loss account in the period to which they relate.

1.11 Leases

Assets that are held by the company under leases which transfer substantially all the risks and rewards of ownership are classified as being held under finance leases and hire purchase contracts. Leases which do not transfer substantially all the risks and rewards of ownership are classed as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Obligations under such arrangements are included in creditors net of the finance charge allocated to future periods.

The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

1. Accounting policies (continued)

1.12 Sale and leaseback

Where a sale and leaseback transaction results in a finance lease, no gain is immediately recognised for any excess of sales proceeds over the carrying amount of the asset. Instead, the proceeds are presented as a liability and subsequently measured at amortised cost using the effective interest method.

When a sale and leaseback transaction results in an operating lease, and it is clear that the transition is established at fair value any profit or loss is recognised immediately. If the sale price is below fair value, any profit or loss is recognised immediately unless the loss is compensated for by the future lease payments at below market price. In that case any such loss is amortised in proportion to the lease payments over the period for which the asset is expected to be used. If the sale price is above fair value, the excess over fair value is amortised over the period for which the asset is expected to be used.

1.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

1.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure. Government grants relate to the receipt of Coronavirus Job Retention Scheme income which is included within other operating income in the profit and loss account.

1.15 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.

1.16 Pensions

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

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in other creditors as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

1. Accounting policies (continued)

1.17 Research and development

Research and development expenditure is written off to the profit and loss account within cost of sales in the year in which it is incurred.

Any tax credits arising in respect of research and development are credited to other operating income within the profit and loss account when it is reliably measured and it is probable that the credit will be received.

1.18 Current and deferred taxation

The tax charge for the year comprises current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

2. Judgements in applying accounting policies

The company makes estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of tangible fixed assets

The company assesses the impairment of tangible fixed assets subject to depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- significant underperformance relative to historical or projected future operating results.
- significant changes in the manner of the use of the acquired assets or the strategy of the overall business; and
- significant negative industry or economic trend.

Depreciation and residual values

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.

The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future marketing conditions, the remaining life of the asset and projects disposal values.

Carrying value of stocks

The directors review the market value of and demand for its stocks on a periodic basis to ensure stock is recorded in the financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stocks. The directors use their knowledge of market conditions, historical experiences and estimates of future events to assess future demand for the company's products and achievable selling prices.

Recoverability of trade debtors

Trade and other debtors are recognised to the extent that they are judged recoverable. The directors' reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

The directors make allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

2. Judgements in applying accounting policies (continued)

Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flow at a rate that reflects the time value of money and the risks specific to the liability.

Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

Recognition of profit on contracts

Profit recognition is based on an assessment of the overall profitability forecast on individual contracts. Losses are recognised as soon as they are foreseen. Profits are recognised by the directors when the outcome of the contract can be assessed with reasonable certainty. The profit recognised reflects that part of the total profit currently estimated to arise over the duration of the contract that fairly represents the profit attributable to work performed at the accounting date.

Leasing

The directors determine whether leases entered into by the company either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis based on an evaluation of the terms and conditions of the arrangements, and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Taxation

There are many transactions and calculations for which the ultimate tax determination is uncertain. The company takes professional advice on its tax affairs and recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due.

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

3. Turnover

All turnover arose within the United Kingdom.

The whole of the turnover is attributable to the principal activities of the business.

4. Other operating income

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Research and development expenditure credit	226	176
Rents receivable	-	26
Government grants receivable	-	675
	<u>226</u>	<u>877</u>

Government grants relate to income received under the Coronavirus Job Retention Scheme.

5. Operating profit

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

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Depreciation of owned tangible fixed assets	805	1,984
Depreciation of leased tangible fixed assets	3,026	2,067
Difference on foreign exchange	(54)	(8)
Other operating lease rentals - plant and machinery	245	231
Operating lease rentals - land and buildings	3,349	3,176
(Profit)/loss on disposal of tangible fixed assets	(248)	4
	<u></u>	<u></u>

6. Auditor's remuneration

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Fees payable to the company's auditor for the audit of the company's annual financial statements	61	52
	<u></u>	<u></u>

The company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent company.

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

7. People

People costs, including directors, were as follows:

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
People costs	40,479	35,053
Social security costs	3,796	3,139
Cost of defined contribution scheme	2,492	1,808
	<u>46,767</u>	<u>40,000</u>

The average monthly number of people in the business, including the directors, during the year was as follows:

	30 April 2023 No.	1 May 2022 No.
Distribution, sales and administrative	408	391
Production	707	619
	<u>1,115</u>	<u>1,010</u>

8. Directors' remuneration

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Directors' emoluments	393	325

The highest paid director received remuneration of £171,000 (2022: £156,000).

9. Interest and similar expenses

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Bank interest payable	259	163
Finance leases and hire purchase contracts	406	420
	<u>665</u>	<u>583</u>

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

10. Taxation

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Corporation tax		
Current tax on profits for the year	-	657
Adjustments in respect of previous periods	15	40
Total current tax	<u>15</u>	<u>697</u>
Deferred tax		
Origination and reversal of timing differences	960	70
Changes to tax rates	-	(72)
Adjustments in respect of previous periods	(49)	(1)
Total deferred tax	<u>911</u>	<u>(3)</u>
Taxation on profit	<u>926</u>	<u>694</u>

Factors affecting tax charge for the year

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

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Profit before tax	<u>4,890</u>	<u>3,973</u>
Profit multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	953	755
Effects of:		
Expenses not deductible for tax purposes	30	29
Fixed asset differences	(271)	(31)
Adjustments in respect of previous periods - current tax	15	40
Adjustments in respect of previous periods - deferred tax	(49)	(1)
Remeasurement of deferred tax for changes in tax rates	211	(56)
Deferred tax not recognised	-	(9)
Group relief surrendered	81	-
Research & development expenditure credits	(44)	(33)
Total tax charge for the year	<u>926</u>	<u>694</u>

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

10. Taxation (continued)

Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. This was substantively enacted on 24 May 2021. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax law and the corporation tax rates that have been enacted, or substantively enacted, at the balance sheet date. As such, the deferred tax rate applicable at 30 April 2023 is 25% and deferred tax has been re-measured at this date.

11. Dividends

	Year ended 30 April 2023 £000	Year ended 1 May 2022 £000
Ordinary		
Dividends paid to holding company	3,200	3,200

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

12. Tangible fixed assets

	Plant and machinery £000	Furniture, fittings, equipment and motor vehicles £000	Assets in the course of construction £000	Total £000
Cost				
At 2 May 2022	28,762	12,058	668	41,488
Additions	2,205	3,768	982	6,955
Disposals	(1,006)	(1,090)	-	(2,096)
Transfers between classes	652	16	(668)	-
At 30 April 2023	<u>30,613</u>	<u>14,752</u>	<u>982</u>	<u>46,347</u>
Depreciation				
At 2 May 2022	22,691	9,507	-	32,198
Charge for the year	2,695	1,136	-	3,831
Disposals	(1,013)	(1,072)	-	(2,085)
At 30 April 2023	<u>24,373</u>	<u>9,571</u>	<u>-</u>	<u>33,944</u>
Net book value				
At 30 April 2023	<u>6,240</u>	<u>5,181</u>	<u>982</u>	<u>12,403</u>
At 1 May 2022	<u>6,071</u>	<u>2,551</u>	<u>668</u>	<u>9,290</u>

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

	30 April 2023 £000	1 May 2022 £000
Plant, machinery, furniture and fittings	<u>7,100</u>	<u>6,706</u>

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

13. Fixed asset investments

	Listed and subsidiary investments £000
Valuation	
At 2 May 2022 and 30 April 2023	20
	<hr/>
Net book value	
At 2 May 2022 and 30 April 2023	20
	<hr/> <hr/>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Linney Activate Limited	Dormant	Ordinary	100%
Linney Create Limited	Dormant	Ordinary	100%
Linney Design Limited	Dormant	Ordinary	100%
Linney Direct Limited	Dormant	Ordinary	100%
Linney Evaluate Limited	Dormant	Ordinary	100%
Linney Group Limited	Dormant	Ordinary	100%
Linney Make Limited	Dormant	Ordinary	100%
Linney Print Limited	Dormant	Ordinary	100%
Quadrant Offset Limited	Dormant	Ordinary	100%

The above companies share the same registered offices as W & J Linney Limited which is displayed on the company information page.

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

14. Stocks and work in progress

	30 April 2023 £000	1 May 2022 £000
Raw materials	2,434	2,208
Finished goods and goods for resale	1,554	1,427
	<u>3,988</u>	<u>3,635</u>

15. Debtors

	30 April 2023 £000	1 May 2022 £000
Trade debtors	21,254	18,155
Amounts owed by group undertakings	6,975	5,729
Other debtors	665	566
Prepayments and accrued income	2,159	1,516
Amounts recoverable on contracts	6,700	6,896
Tax recoverable	802	-
	<u>38,555</u>	<u>32,862</u>

An impairment charge of £44,000 (2022: impairment credit £17,000) was recognised in administrative expenses against trade debtors during the year.

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

16. Creditors: amounts falling due within one year

	30 April 2023 £000	1 May 2022 £000
Other short term banking facilities	7,302	6,069
Payments received on account	3,087	3,095
Trade creditors	13,748	11,341
Corporation tax	-	264
Other taxation and social security	3,129	2,065
Obligations under finance lease and hire purchase contracts	3,355	2,713
Other creditors	2,271	1,997
Accruals and deferred income	4,795	4,483
	<u>37,687</u>	<u>32,027</u>

Other short term banking facilities are secured by first legal charge over certain freehold land and property held by the parent company, a charge over the book debts of the company and a charge over contract monies.

Amounts of £8,239,000 (2022: £13,676,000) included in trade debtors provide security for other short term banking facilities, of which £7,302,000 was in use at the year end.

Net obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

17. Creditors: amounts falling due after more than one year

	30 April 2023 £000	1 May 2022 £000
Net obligations under finance leases and hire purchase contracts	<u>6,788</u>	<u>4,797</u>

18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	30 April 2023 £000	1 May 2022 £000
Within one year	3,355	2,713
Between 1-5 years	6,788	4,781
Over 5 years	-	16
	<u>10,143</u>	<u>7,510</u>

W & J LINNEY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023**

19. Deferred taxation

	30 April 2023 £000	1 May 2022 £000
At the beginning of the year	234	231
Credited to the profit and loss account	(911)	3
At the end of the year	(677)	234

The deferred taxation balance is made up as follows:

	30 April 2023 £000	1 May 2022 £000
Accelerated capital allowances	(1,080)	(107)
Short term timing differences	403	341
	(677)	234

20. Share capital

	30 April 2023 £000	1 May 2022 £000
Allotted, called up and fully paid		
186,000 Ordinary shares of £1 each	186	186

21. Reserves

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Profit and loss account

Represents all current and prior period accumulated profits and losses less dividends paid.

22. Pension commitments

The company contributes to two defined contribution pension schemes the costs of which are charged to the profit and loss account in the period in which they are incurred, and amounted to £2,492,000 (2022: £1,808,000).

W & J LINNEY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2023

23. Commitments under operating leases

At 30 April 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	30 April 2023 £000	1 May 2022 £000
Not later than 1 year	2,830	2,777
Later than 1 year and not later than 5 years	2,453	5,014
	<u>5,283</u>	<u>7,791</u>

Included in operating lease commitments above is £5,170,000 (2022: £7,536,000) which is payable to the parent company in relation to property.

24. Ultimate parent undertaking and controlling party

The parent company is WJL Group Limited which is incorporated in Great Britain and registered in England and Wales. The parent company is jointly controlled by N S Linney, M J H Linney and C H C Linney by virtue of their shareholdings and their role as trustees of discretionary trusts.

The largest and smallest group which consolidates the company's accounts is WJL Group Limited, copies of which are available from Companies House, Cardiff, CF14 3UZ.