

**Westerleigh Group Holdings Limited**

**Annual report and statutory  
consolidated financial statements**

**Registered number 06366198**

**31 December 2022**

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## **Company information**

### **Directors**

I D McArdle  
D K Smith  
Z Tindall-Doman

### **Company number**

06366198

### **Registered office**

Chapel View  
Westerleigh Crematorium  
Westerleigh Road  
Westerleigh  
Bristol  
BS37 8QP

### **Independent Auditors**

PricewaterhouseCoopers LLP  
1 Kingsway  
Cardiff  
CF10 3PW

## Strategic Report

The directors present the Strategic Report on Westerleigh Group Holdings Limited (the "Group") for the year ended 31 December 2022.

### Principal Activities

The Company's principal activity is that of a holding company.

The Group is a leading independent operator of crematoria and provider of funeral plans in the UK. The Group operates two brands - the first brand operates a portfolio of 37 crematoria across the UK under the brand "Westerleigh", and the second brand provides funeral plans and direct to consumer At-Need cremations, under the brand "Distinct".

### Business Review

The year ended 31 December 2022 saw many political and economic challenges with most businesses feeling the impact of supply chain disruption, inflationary pressures and rising interest rates. Despite this challenging macro environment, the Group performed well during the year and continued to deliver its "Growing with Care" strategy to develop, grow, improve its services and provide exceptional funeral care to bereaved families and communities. The Group provided over 60,000 (2021: 52,000) funeral services to bereaved families during the year.

Westerleigh delivered strong results in the year with total services growing 9% year-on-year despite a fall in the UK death rate as the impact of Covid-19 pandemic receded.

The year ended 31 December 2022 was the first full trading year for Distinct following its launch in late 2021. The Group has invested in Distinct for the long term, with the belief the direct-to-consumer market will continue to grow and be strategically important to the Group. Market conditions during 2022 were challenging as consumer confidence was negatively impacted by the failure of a certain funeral plan provider prior to regulation of the market. Despite these adverse external factors, the brand successfully grew volumes of At Need cremations and funeral plan sales.

#### *New Site Development*

At the year end the Group operated 37 crematoria having opened two new crematoria during the year, Waseley Hills Crematorium in the West Midlands and New Milton Crematorium in Hampshire, both providing much needed facilities to their local communities.

Along with opening these two new sites, development commenced on a further 3 new crematorium, which are due to open in 2023, and continued with the ongoing improvements to existing sites to ensure facilities are maintained to the very best standards.

#### *Systems Development*

The Group made substantial investment in technology during the year, implementing a new operating platform across all crematoria and a new finance general ledger system across the Group. These developments provide a unified platform, an enhanced control environment and the opportunity to further develop customer experience and help deliver future product development.

#### *Regulation*

The funeral plan market came under the regulatory control of the Financial Conduct Authority (FCA) on 29th July 2022. This change is welcome as tighter controls, greater transparency and governance, and mandatory oversight of funeral plan providers was needed and will help restore consumer confidence and provide consumer protection.

Distinct was one of only 26 firms authorised by the FCA for the sale and administration of funeral plans.

## Strategic Report *(continued)*

### Key Financial Highlights of the Group and Key Performance Indicators

The Group delivered another strong year of financial performance for the year ended 31 December 2022.

	Year Ended 31 December 2022	Year Ended 31 December 2021
	£000	£000
Turnover	67,383	61,238
Gross Profit	61,713	56,694
Gross Profit %	91.6%	92.6%
Adjusted EBITDA*	26,947	27,585
	No.	No.
Total Services	60,672	52,248
Total UK Deaths	640,000	650,000
Share of UK Deaths	9.5%	8.0%

\*EBITDA adjusted for non-recurring costs

#### *Turnover, Margins and Profitability*

A key driver of the Group's performance is the annual volume of deaths in the UK. In 2022, the total volume of deaths fell by 1.5% to 640,000 (2021: 650,000). Despite this reduction in total deaths the Group delivered strong growth in volumes with a 16% year-on-year increase in total services which in turn increased the Group's share of the UK death market to 9.5% (2021: 8.0%).

Turnover for the Group was £67.4m for the year ended 31 December 2022, demonstrating a 10.0% organic growth on previous year due to increased volumes across both Westerleigh and Distinct.

Gross Profit of the Group for the year ended 31 December 2022 was £61.7m which is 8.9% higher than previous year. Gross Profit % fell year-on-year from 92.6% to 91.6% due to the growth of lower margin sales in the Distinct brand.

Adjusted EBITDA was £26.9m which is 2.3% lower than prior year due to the continued investment in marketing and operations in the newly launched Distinct brand. Excluding the impact of the Distinct brand, EBITDA for Westerleigh grew by 1% year-on-year due to the higher volumes and well managed costs despite the inflationary environment.

#### *Non-recurring Costs*

Non-recurring costs of £0.3m (2021: £0.8m) relate to a one-off early termination fee for third party systems replaced in the system upgrade programme and abortive transaction fees.

#### *Capital Expenditure*

The Group invested a total £20.0m in tangible fixed assets in the year ended 31 December 2022 in the opening of 2 new crematoria, continued development of 3 new crematoria due to open in 2023 and the ongoing improvement of existing facilities and crematoria. This investment will drive continued future growth.

### Principal Risks and Uncertainties

Management of the business and the execution of the Group's strategy are subject to a number of risks. These risks are reviewed by management and appropriate processes are in place to monitor and mitigate the risks. The key business risks which may affect the Group are set out below.

#### *General Market Conditions*

The Group operates in competitive markets but continued developments and investment in the Group's properties, products and people help provide exceptional care for our customers and maintain the Group's reputation and market position.

## **Strategic Report (continued)**

### *Death Rate*

A principal uncertainty affecting the Group is the variability in the number of deaths in the UK in any particular year. Management track the ONS published death statistics on a weekly basis and use as the basis of capacity and cost planning which mitigate the risks of sudden movements in the number of deaths.

### *Interest Rate Risk*

The interest on the Group's senior banking facilities are subject to fluctuations in SONIA. The Group mitigates this risk by entering into interest swap arrangements.

### *Labour Market*

The Group's performance depends largely on its people across all areas of the Group. The resignation of key individuals and the inability to recruit people with the appropriate experience and skills could adversely impact the Group's results. To mitigate these issues, the Group has developed a people agenda supporting the "Growing with Care" strategy which invests in regular colleague training and development programmes to provide career paths and opportunities for people to learn and grow along with building internal talent pipelines for the business.

To facilitate with attraction and retention, the Group regularly reviews the labour market to ensure remuneration is in line with market norms along with providing an extensive benefits package including bonus schemes, pensions, retail discounts and health care. During 2022 the Group awarded a one-off cost-of-living payment to all colleagues to help combat the rising utility costs over the winter months in addition to the annual pay increase.

### *Inflation risk*

A significant cost to the Group is utilities and as such the Group is at risk to changes in the wholesale energy markets. This risk is mitigated by entering into long term contracts with energy providers either on a fixed rate or a floor/ceiling price arrangement.

## **Strategy and Future Developments**

Under the banner "Growing with Care" the Group's vision is to provide exceptional care in a beautiful setting so that families and friends can remember, mourn and celebrate the lives of their loved ones in a way that is uniquely personal.

The Group is focused on providing high quality services for the bereaved and provides high quality facilities in peaceful settings with beautifully landscaped grounds and with teams dedicated to providing excellent levels of service.

The Westerleigh brand continues to look for suitable sites to develop new crematoria along with continuing to invest in the existing facilities. Distinct continues to invest in operations, marketing and technology to drive the very best service for At-Need customers and to provide the very best funeral plan products.

## **Stakeholder considerations (Section 172 (1) Statement)**

The directors always strive to conduct themselves honestly, fairly, impartially and in accordance with the highest ethical standards, which is central to the success of the Group. We have carefully considered the matters set out in section 172 (1) (a-f) of the Companies Act 2006. The section 172 statement focuses on matters of strategic importance to the company, and the level of information disclosed is consistent with the size and complexity of the business. The below demonstrates how the board have complied with this.

## Strategic Report (continued)

### People

The Group's performance depends largely on its colleagues both in the crematoria, operational hubs and support centres. The Directors would like to thank all colleagues for their extraordinary efforts ensuring operational excellence and delivering exceptional care for all the families we serve.

The business is built on the strength of its people and under the banner "You said, we listened", every effort is made to collectively engage, develop and drive change for our people. Key initiatives include:

- Clear communications via "Westerleigh Weekly" a weekly newsletter along with a bi-weekly group-wide "Cascade" Teams call to provide an overview of performance and key activities across the Group whilst also creating a regular forum for colleagues to share ideas, recognise their peers and ask questions.
- Annual Conference to communicate and engage leaders in the business strategy and to celebrate success.
- Reward and recognition framework and benefits programmes are in place focusing on recognition and benefits colleagues really want.
- Open feedback via quarterly Employee Forum meetings and annual "Your Voice Matters" colleague survey to encourage feedback and opinions and helping to identify areas for future improvement.

The Group operates an equal opportunities employment policy and is opposed to all forms of discrimination. Selection processes are non-discriminatory and always seek to give full and fair consideration to all.

### Community

The Group's strong ethical values and practices extend outwards to our local communities via community open days, bereavement cafes and chapel services at times when loved ones may need comfort – Christmas, Mothers and Fathers days for example.


In 2022 the Group raised over £0.8m both for local charities and 2022 national charity partners, Huntington's Disease Association and Scottish Huntington's Association.

### ESG

The Group is committed to conducting business in a responsible, sustainable and ethical way. That means minimising our environmental impact, building an inclusive workplace, collaborating for good in the community, and exceeding industry standards in our ways of work. The Group's "Growing with Care" business strategy is front and centre of everything we do and we pride ourselves on the highest standards of practice and care.

In June 2022, a leading independent global environmental advisory firm carried out a high-level audit into ESG practices across the Group and concluded the Group is addressing many of the key ESG topic areas. A formal ESG programme is now in place which incorporates clear targets and timelines with progress on the ESG journey being reviewed, externally verified and reported on annually.

On behalf of the board



**Z. Tindall-Doman**  
Director

30 May 2023

Chapel View, Westerleigh Crematorium, Westerleigh Road  
Westerleigh, Bristol, BS37 8QP

## Directors' Report

The directors present their report together with the audited consolidated financial statements for the year ended 31 December 2022.

### Results and dividends

The profit and loss account is set out on page 13. The profit after taxation for the year amounted to £7,941,000 (2021: £7,268,000). The Company paid a dividend of £nil during the year (2021: £nil). Future developments and financial risk management is disclosed in the Strategic Report.

### Directors

The directors of the Company who were in office during the year and up the date of signing the financial statements were as follows:

I D McArdle  
R McLaughlan (Resigned 10 January 2022)  
D K Smith (Appointed 10 January 2022)  
Z Tindall-Doman

### Qualifying third party indemnity provisions

During the year, the Company and Group maintained liability insurance for its directors and officers. The indemnity provision which is a qualifying third party indemnity provision was in force throughout the year and is currently in force at the date of signing the financial statements.

### Streamlined Energy and Carbon Report (SECR)

#### UK Energy Use and GHG Emissions

The tables below detail the energy used by an indirect subsidiary, Crematoria Management Limited, who is above the threshold for SECR reporting, all other indirect, or direct, subsidiaries are below the threshold therefore the company has taken the exemption from preparing these. The information provided details the energy used in the business activities involving the combustion of gas and fuels, the purchase of electricity and business mileage in both kWh and tCO<sub>2</sub>e. They also detail the total energy and emissions by scope and as a total.

For the year ended 31 December 2022.

Type of activity	Energy use	Measurement unit	GHG emissions	Measurement unit
Natural gas	10,357,424	kWh	1,897	t CO <sub>2</sub> e
LPG	10,286,034	kWh	2,160	t CO <sub>2</sub> e
Grid electricity	2,185,313	kWh	423	t CO <sub>2</sub> e
Fuel reimbursed	234,486	kWh	55	t CO <sub>2</sub> e
<b>Total</b>	<b>23,063,257</b>	<b>kWh</b>	<b>4,535</b>	<b>t CO<sub>2</sub>e</b>

Type of activity	Energy use	Measurement unit	GHG emissions	Measurement unit
Scope 1	20,643,458	kWh	4,057	t CO <sub>2</sub> e
Scope 2	2,185,313	kWh	423	t CO <sub>2</sub> e
Scope 3	234,486	kWh	55	t CO <sub>2</sub> e
<b>Total</b>	<b>23,063,257</b>	<b>kWh</b>	<b>4,535</b>	<b>t CO<sub>2</sub>e</b>



## Directors' Report *(continued)*

### Streamlined Energy and Carbon Report (SECR) *(continued)*

For the year ended 31 December 2021:

Type of activity	Energy use	Measurement unit	GHG emissions	Measurement unit
Natural gas	9,852,260	kWh	1,805	t CO <sub>2</sub> e
LPG	9,195,419	kWh	1,972	t CO <sub>2</sub> e
Grid electricity	2,038,693	kWh	433	t CO <sub>2</sub> e
Fuel reimbursed	186,242	kWh	46	t CO <sub>2</sub> e
<b>Total</b>	<b>21,272,614</b>	<b>kWh</b>	<b>4,256</b>	<b>t CO<sub>2</sub>e</b>

Type of activity	Energy use	Measurement unit	GHG emissions	Measurement unit
Scope 1	2,038,693	kWh	433	t CO <sub>2</sub> e
Scope 2	19,047,679	kWh	3,777	t CO <sub>2</sub> e
Scope 3	186,242	kWh	46	t CO <sub>2</sub> e
<b>Total</b>	<b>21,272,614</b>	<b>kWh</b>	<b>4,256</b>	<b>t CO<sub>2</sub>e</b>

#### Intensity ratio

To convert absolute emissions to an emissions intensity metric, the Company has calculated emissions per relative unit of measure. An intensity ratio is a way of defining the Company's emission data in relation to an appropriate business metric which will allow comparison of energy efficiency performance over time and with other similar types of organisations.

SECR intensity ratios are calculated by dividing the Group's emissions by its organisation-specific metric. In the case of the subsidiary, the metric chosen to normalise its emissions is based on the number of cremations performed by Crematoria Management Limited.

Normalising metric: 48,819 cremations (2021: 41,500 cremations)

Intensity ratio year ended 31 December 2022: 0.093 tCO<sub>2</sub>e (2021: 0.1 tCO<sub>2</sub>e)

#### Principle Energy Efficiency Actions

The Group's main energy usage is gas and this is actively managed within the business to minimise consumption where possible, alongside a programme of significant investment in upgrading equipment to improve ongoing energy efficiency. A programme of other energy efficiency measures is also underway and in relation to new crematoria development incorporation of a range of sustainable and low energy systems.

#### Methodology

Data for this report has been provided from data from suppliers and the Group's databases. The DEFRA 2022 conversion figures for CO<sub>2</sub>e were used along with the fuel property figures to determine the kWh for unknown liquid fuels used in transport.

## Directors' Report *(continued)*

### Directors' responsibilities for the financial statements

The directors are responsible for preparing the statutory group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice for the fulfilment of the obligation under the £228,000,000 Facilities Agreement dated 24 January 2019. The directors must not approve the statutory group and company financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group and company for that year. In preparing the statutory financial statements, the directors are responsible for:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Independent auditors

During the year, PricewaterhouseCoopers LLP were auditors of the company. Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

On behalf of the board



**Z Tindall-Doman**  
Director

30 May 2023

Chapel View, Westerleigh Crematorium, Westerleigh Road  
Westerleigh, Bristol, BS37 8QP

## **Independent auditors' report to the members of Westerleigh Group Holdings Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Westerleigh Group Holdings Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2022 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Consolidated and Company Balance Sheet as at 31 December 2022; Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, Consolidated and Company Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with *International Standards on Auditing (UK)* ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

## **Independent auditors' report to the members of Westerleigh Group Holdings Limited (continued)**

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

### **Responsibilities for the financial statements and the audit**

#### **Responsibilities of the directors for the financial statements**

As explained more fully in the Directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

## **Independent auditors' report to the members of Westerleigh Group Holdings Limited (continued)**

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to burial and cremation regulations, environmental legislation, employment legislation, health and safety regulations and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation and the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to manipulate financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Evaluation of the adequacy of the design of management's controls to prevent and detect irregularities
- Enquiry of management around known or suspected instances of non-compliance with laws and regulations and fraud
- Review of minutes of meetings of those charged with governance
- Challenging assumptions made by management in its significant accounting estimates; and
- Identifying and testing the validity of journal entries, in particular journal entries posted with unusual account combinations and consolidation journals.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Independent auditors' report to the members of Westerleigh Group Holdings Limited (continued)**

*Other required reporting*

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Jason Clarke (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cardiff

30 May 2023

**Consolidated Profit and Loss Account**  
*for the year ended 31 December 2022*

	<i>Note</i>	<b>2022</b> <b>£'000</b>	2021 £'000
<b>Turnover</b>	<b>3</b>	<b>67,383</b>	61,238
Cost of sales		<b>(5,670)</b>	(4,544)
<b>Gross profit</b>		<b>61,713</b>	56,694
Administrative expenses (excluding depreciation, amortisation and non-recurring costs)		<b>(34,766)</b>	(29,109)
<b>Adjusted EBITDA</b>		<b>26,947</b>	27,585
Depreciation		<b>(5,401)</b>	(4,713)
Amortisation		<b>(2,317)</b>	(2,289)
Non-recurring costs	<i>4</i>	<b>(262)</b>	(764)
<b>Group operating profit</b>		<b>18,967</b>	19,819
Interest receivable and similar income		<b>88</b>	-
Interest payable and similar charges	<b>8</b>	<b>(7,764)</b>	(7,096)
<b>Profit on ordinary activities before taxation</b>	<b>5</b>	<b>11,291</b>	12,723
Tax on profit on ordinary activities	<b>9</b>	<b>(3,350)</b>	(5,455)
<b>Profit for the financial year</b>		<b>7,941</b>	7,268

All activity in both the current and the prior year relates to continuing operations.

The notes on pages 20 to 40 form part of these financial statements.

**Consolidated Statement of Comprehensive Income**  
*for the year ended 31 December 2022*

	<i>Note</i>	<b>2022</b> <b>£'000</b>	2021 £'000
<b>Profit for the financial year</b>		<b>7,941</b>	7,268
<b>Other comprehensive (expense)/income</b>			
Re-measurement of the net defined benefit pension liability	<i>24</i>	<b>(137)</b>	264
Changes in fair value of cash flow hedges	<i>22</i>	<b>6,529</b>	6,148
Income tax on other comprehensive (expense)/income	<i>9</i>	<b>(1,468)</b>	(1,155)
<b>Other comprehensive income for the year, net of income tax</b>		<b>4,924</b>	5,257
<b>Total comprehensive income for the year</b>		<b>12,865</b>	12,525

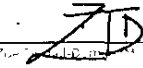
The notes on pages 20 to 40 form part of these financial statements.



**Consolidated Balance Sheet**  
*at 31 December 2022*

	<i>Note</i>	<b>£'000</b>	<b>2022 £'000</b>	<b>£'000</b>	<b>2021 £'000</b>
<b>Fixed assets</b>					
Intangible assets	10		<b>12,338</b>		14,569
Tangible assets	11		<b>168,662</b>		154,034
Investments	12		<b>-</b>		1
			<b>181,000</b>		<b>168,604</b>
<b>Current assets</b>					
Stocks	13	<b>1,629</b>		1,101	
Debtors: amounts falling due within one year	14	<b>43,917</b>		40,233	
Debtors: amounts falling due after more than one year	14	<b>5,942</b>		-	
Cash at bank and in hand	15	<b>29,297</b>		38,194	
			<b>80,785</b>	<b>79,528</b>	
<b>Creditors: amounts falling due within one year</b>	16	<b>(12,185)</b>		<b>(24,727)</b>	
<b>Net current assets</b>			<b>68,600</b>		<b>54,801</b>
<b>Total assets less current liabilities</b>			<b>249,600</b>		<b>223,405</b>
<b>Creditors: amounts falling due after more than one year</b>	17		<b>(213,342)</b>		<b>(202,139)</b>
<b>Provisions for liabilities</b>					
Deferred tax liability	19		<b>(10,515)</b>		<b>(8,537)</b>
Defined benefit pension scheme asset	24		<b>132</b>		<b>281</b>
<b>Net assets</b>			<b>25,875</b>		<b>13,010</b>
<b>Capital and reserves</b>					
Called up share capital	20		<b>21</b>		<b>21</b>
Cash flow hedging reserve	21		<b>4,574</b>		<b>(453)</b>
Profit and loss account	21		<b>21,280</b>		<b>13,442</b>
<b>Total shareholders' funds</b>			<b>25,875</b>		<b>13,010</b>

These financial statements were approved by the Board of Directors on 30 May 2023 and signed on its behalf by:

  
\_\_\_\_\_

**Z Tindall-Doman**  
*Director*

Company registered number: 06366198

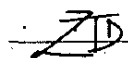
The notes on pages 20 to 40 form part of these financial statements.

**Company Balance Sheet**  
*at 31 December 2022*

	<i>Note</i>	<b>£'000</b>	<b>2022 £'000</b>	<b>£'000</b>	<b>2021 £'000</b>
<b>Fixed assets</b>					
Investments	12		<b>82,300</b>		73,444
			<b>82,300</b>		73,444
<b>Current assets</b>					
Debtors: amounts falling due within one year	14	165,670		169,699	
Debtors: amounts falling due after more than one year	14	5,942		-	
Cash at bank and in hand	15	19,571		29,914	
			<b>191,183</b>	199,613	
<b>Creditors: amounts falling due within one year</b>	16	<b>(54,181)</b>		<b>(64,167)</b>	
<b>Net current assets</b>			<b>137,002</b>		135,446
<b>Total assets less current liabilities</b>			<b>219,302</b>		208,890
<b>Creditors: amounts falling due after more than one year</b>	17		<b>(208,574)</b>		(196,993)
<b>Provisions for liabilities</b>					
Deferred tax liability	19		<b>(1,367)</b>		-
<b>Net assets</b>			<b>9,388</b>		11,897
<b>Capital and reserves</b>					
Called up share capital	20		<b>21</b>		21
Cash flow hedging reserve	21		<b>4,574</b>		(453)
Profit and loss account	21		<b>4,793</b>		12,329
<b>Total shareholders' funds</b>			<b>9,388</b>		11,897

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the year was £7,536,000 (2021: loss of £6,741,000).

These financial statements were approved by the Board of Directors on 30 May 2023 and signed on its behalf by:



**Z. Tindall-Doman**  
*Director*

Company registered number: 06366198

The notes on pages 20 to 40 form part of these financial statements.

**Consolidated Statement of Changes in Equity**  
*for the year ended 31 December 2022*

	<b>Called up share capital</b>	<b>Cash flow hedging reserve</b>	<b>Profit and loss account</b>	<b>Total shareholders' funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Balance at 1 January 2021	21	(5,456)	5,920	485
<b>Total comprehensive income for the year:</b>				
Profit for the financial year	-	-	7,268	7,268
<i>Other comprehensive income</i>				
Re-measurements of the net defined benefit pension liability	-	-	264	264
Effective portion of changes in fair value of cash flow hedges	-	6,148	-	6,148
Income tax on other comprehensive income	-	(1,145)	(10)	(1,155)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>5,003</b>	<b>7,522</b>	<b>12,525</b>
<b>Balance at 31 December 2021</b>	<b>21</b>	<b>(453)</b>	<b>13,442</b>	<b>13,010</b>
Balance at 1 January 2022	21	(453)	13,442	13,010
<b>Total comprehensive income for the year:</b>				
Profit for the financial year	-	-	7,941	7,941
<i>Other comprehensive (expense)/income</i>				
Re-measurements of the net defined benefit pension liability	-	-	(137)	(137)
Effective portion of changes in fair value of cash flow hedges	-	6,529	-	6,529
Income tax on other comprehensive (expense)/income	-	(1,502)	34	(1,468)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>5,027</b>	<b>7,838</b>	<b>12,865</b>
<b>Balance at 31 December 2022</b>	<b>21</b>	<b>4,574</b>	<b>21,280</b>	<b>25,875</b>

The notes on pages 20 to 40 form part of these financial statements.

**Company Statement of Changes in Equity**  
*for the year ended 31 December 2022*

	Called up share capital	Cash flow hedging reserve	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000
Balance at 1 January 2021	21	(5,456)	19,070	13,635
<b>Total comprehensive expense for the year:</b>				
Loss for the financial year	-	-	(6,741)	(6,741)
<i>Other comprehensive income</i>				
Effective portion of changes in fair value of cash flow hedges	-	6,148	-	6,148
Income tax on other comprehensive income	-	(1,145)	-	(1,145)
Total comprehensive expense for the year	-	5,003	(6,741)	(1,738)
<b>Balance at 31 December 2021</b>	<b>21</b>	<b>(453)</b>	<b>12,329</b>	<b>11,897</b>
Balance at 1 January 2022	21	(453)	12,329	11,897
<b>Total comprehensive expense for the year:</b>				
Loss for the financial year	-	-	(7,536)	(7,536)
<i>Other comprehensive income</i>				
Effective portion of changes in fair value of cash flow hedges	-	6,529	-	6,529
Income tax on other comprehensive income	-	(1,502)	-	(1,502)
Total comprehensive expense for the year	-	5,027	(7,536)	(2,509)
<b>Balance at 31 December 2022</b>	<b>21</b>	<b>4,574</b>	<b>4,793</b>	<b>9,388</b>

The notes on pages 20 to 40 form part of these financial statements.

**Consolidated Cash Flow Statement**  
*for year ended 31 December 2022*

	<i>Note</i>	<b>2022</b> <b>£'000</b>	2021 £'000
<b>Cash flows from operating activities</b>			
Profit for the year		7,941	7,268
<i>Adjustments for:</i>			
Amortisation of intangible fixed assets	10	2,317	2,289
Depreciation of tangible fixed assets	11	5,401	4,713
Interest receivable and similar income		(88)	-
Interest payable and similar charges	8	7,764	7,096
Profit on sale of tangible fixed assets		-	(3)
Taxation	9	3,350	5,455
		<hr/> 26,685	<hr/> 26,818
Increase in trade and other debtors		(2,460)	(17,280)
(Increase)/decrease in stocks		(528)	1,165
(Decrease)/Increase in trade and other creditors		(12,801)	16,517
		<hr/> 10,896	<hr/> 27,220
Cash generated from operations			
Interest paid		(7,408)	(5,019)
Interest received		887	-
Tax paid		(2,890)	(3,191)
		<hr/> 1,485	<hr/> 19,010
<b>Net cash generated from operating activities</b>			
<b>Cash flows from investing activities</b>			
Proceeds from sale of tangible fixed assets		-	3,338
Acquisition of tangible fixed assets	11	(20,029)	(19,197)
Acquisition of intangible fixed assets	10	(86)	-
		<hr/> (20,115)	<hr/> (15,859)
<b>Net cash used in investing activities</b>			
<b>Cash flows from financing activities</b>			
Finance leases		(227)	1,548
Proceeds from new loan	18	10,000	19,888
Bank fees paid		(40)	(921)
		<hr/> 9,733	<hr/> 20,515
<b>Net cash generated from financing activities</b>			
Net (decrease)/increase in cash and cash equivalents		(8,897)	23,666
Cash and cash equivalents at beginning of year		38,194	14,528
		<hr/> 29,297	<hr/> 38,194
<b>Cash and cash equivalents as at 31 December</b>	15		

The notes on pages 20 to 40 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### **1 General information**

Westerleigh Group Holdings Limited (the "Company") is a private company limited by shares and incorporated in Bristol, England in the UK.

The address of its registered office is Chapel View, Westerleigh Crematorium, Westerleigh Road, Westerleigh, Bristol, BS37 8QP.

### **2 Accounting policies**

These group and parent company statutory financial statements have been prepared by the directors for the Company's own internal use and were prepared in accordance with Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ("*FRS 102*") and the Companies Act 2006. The presentation currency of these financial statements is sterling.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the year has not been included for the parent company only as this is included in the group disclosure;
- No separate parent company Cash Flow Statement with related notes is included;
- Key Management Personnel compensation has not been included for the parent company only as this is included in the group disclosure; and
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all years presented in these financial statements.

#### ***Key judgements***

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 Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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***

Annually, the Group considers whether tangible assets are impaired. Where an indication of impairment is identified, the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This required estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

#### ***Measurement convention***

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: derivative financial instruments, and freehold property and long leasehold property on consolidation, representing fair value adjustments recognised at the time of acquisition.

## Notes (continued)

### 2 Accounting policies (continued)

#### *Going concern*

During the year the Group reported a profit of £7,941,000 (2021: £7,268,000) and ended the year with net current assets of £68,600,000 (2021: £54,801,000).

The Directors have conducted a rigorous and proportionate assessment of the Group's ability to continue in existence for the foreseeable future. They receive and regularly review management accounts, cash balances and have prepared financial projections through for at least the next 12 months, including analysis of covenants relating to the Group's banking facilities. After careful consideration, including sensitivity analysis in consideration of the current market conditions, the Directors confirm they are satisfied that the Group has adequate resources to continue operating for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing the financial statements. The Directors formally considered this matter at a board meeting on 29 March 2023.

#### *Basis of consolidation*

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2022. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

The Company is exempt from the requirement to present its own profit and loss account under Section 408 of the Companies Act 2006.

*In the parent financial statements, investments in subsidiaries are carried at cost less impairment.*

#### *Basic financial instruments*

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses. The Group is applying section 11 and 12 of FRS 102 in respect of recognition and measurement of financial instruments.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### *Other financial instruments*

##### *Financial instruments not considered to be basic financial instruments (other financial instruments)*

Other financial instruments not meeting the definition of basic financial instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

## Notes (continued)

### 2 Accounting policies (continued)

#### Other financial instruments (continued)

##### Derivative financial instruments and hedging

Derivative financial instruments are recognised at fair value. The gain or loss on re-measurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

##### Cash flow hedges

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Any ineffective portion of the hedge is recognised immediately in profit or loss.

For cash flow hedges, where the forecast transactions resulted in the recognition of a non-financial asset or non-financial liability, the hedging gain or loss recognised in other comprehensive income is included in the initial cost or other carrying amount of the asset or liability. Alternatively when the hedged item is recognised in profit or loss the hedging gain or loss is reclassified to profit or loss. When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in the income statement immediately.

##### Turnover

Turnover comprises revenue recognised by the Group in respect of cremations, burials and funeral related services supplied during the year, exclusive of Value Added Tax and any discounts. Turnover is recognised when goods and services are provided which is predominately at the time the funeral takes place.

The Distinct companies market and sell pre-arranged funeral plans with the monies received being controlled and held in an independent trust. There is an element of Distinct turnover which relates to insurance backed Funeral Plans. The Company receives monies from the independent parties through charging an administration fee. Turnover for this service is recognised at the point the plan is sold to the customer.

Certain memorial sales are recognised as deferred income as described below.

##### Deferred income

In respect of certain memorial sales, the associated costs are not incurred until up to twelve months after the sale takes place when the memorial is placed in position. Income is recognised when the costs are incurred and a provision has therefore been made for deferred income.

##### Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Certain items of tangible fixed assets that had been revalued to fair value on or prior to the date of transition to FRS 102, are measured on the basis of deemed cost, being the revalued amount at the date of that revaluation.

At each reporting date the Directors assess whether tangible fixed assets (including those leased under finance leases) are impaired.

For the majority of tangible fixed assets, depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of the asset. Leased assets are depreciated over the shorter of the lease term and their useful economic life. The bases and useful economic lives for the various classes of assets are as follows:

- |  |   |                                  |
|--|---|----------------------------------|
| • Freehold land and buildings                                  | - | 100 years straight line basis    |
| • Leasehold land and buildings                                 | - | 25-100 years straight line basis |
| • Plant and equipment  | - | 5-20 years straight line basis   |
| • Motor vehicles (included under plant and equipment category) | - | 25% reducing balance basis       |

Freehold land is not depreciated on the basis that land has an indefinite life.



## Notes (continued)

### 2 Accounting policies (continued)

#### *Tangible fixed assets (continued)*

The components of cremators which have different useful lives are accounted for as separate items of tangible fixed assets and depreciated in line with the useful life of the relevant component. Cremator re-linings are depreciated over the remaining life of the related asset or to the estimated date of the next major renovation or cremator re-lining, whichever is sooner.

Assets held under finance leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership, in which case the depreciation period is the useful life.

Assets in the course of construction are recorded at cost to date. Once completed, they are re-classified and depreciated accordingly.

#### *Business combinations*

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill at the acquisition date as:

- the fair value of the consideration (excluding contingent consideration) transferred; plus
- estimated amount of contingent consideration; plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities and contingent liabilities assumed.

#### *Intangible assets, goodwill and negative goodwill*

##### *Website development*

Website development is stated at cost less any accumulated amortisation and accumulated impairment losses. Website development is amortised over its useful economic life of five years on a straight-line basis.

##### *Goodwill*

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

##### *Amortisation*

Goodwill arises in respect of the various acquisitions the Group has made and represents the excess of purchase price over the fair value of the net assets acquired. It is amortised on a straight line basis over its useful life. Goodwill has no residual value and the finite life of goodwill was estimated to be at least 20 years at the time the acquisitions were made on the basis of the projected future income streams.

The Company continues to review the amortisation year and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

#### *Taxation*

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

## Notes (continued)

### 2 Accounting policies (continued)

#### Taxation (continued)

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. For non-depreciable assets that are measured using the revaluation model, deferred tax is provided at the rates and allowances applicable to the sale of the asset. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

#### Employee benefits

##### Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the years during which services are rendered by employees.

##### Defined benefit plans

The Group is also part of a multi-employer defined benefit pension scheme which provides benefits to certain employees based on final pensionable pay. The assets of the scheme are held separately from those of the Group.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior years; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The Group determines the net interest expense on the net defined benefit liability for the year by applying the discount rate as determined at the beginning of the annual year to the net defined benefit liability taking account of changes arising as a result of contributions and benefit payments.

The discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to the terms of the Group's obligations. A valuation is performed annually by a qualified actuary using the projected unit credit method. The Group recognises net defined benefit plan assets to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Changes in the net defined benefit liability arising from employee service rendered during the year, net interest on net defined benefit liability, and the cost of plan introductions, benefit changes, curtailments and settlements during the year are recognised in profit or loss.

Re-measurement of the net defined benefit liability is recognised in other comprehensive income.

#### Stocks

Stocks represents monumental masonry, memorials and memorial supplies for resale and are stated at the lower of cost and estimated selling price less costs to complete and sell, after making due allowance for obsolete and slow moving stocks. Cost includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition.

## Notes (continued)

### 2 Accounting policies (continued)

#### *Finance leases*

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset or, if lower, the present value of minimum lease payments at the inception of the lease. The corresponding liability is included in the statement of financial position as 'obligations under finance leases' with creditors. Lease payments are apportioned between finance charges and reduction of the lease liability using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are included in tangible fixed assets and are depreciated and assessed for impairment losses in the same way as owned assets.

#### *Operating leases*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred.

#### *Development costs*

Development costs are recognised within stocks and work in progress and represent costs incurred in preparing and pursuing new site opportunities. Should it appear that an individual project is unlikely to progress, the balance is written off to the profit and loss account. In the event that the project proceeds, development costs would be capitalised. Capitalised development expenditure is stated at cost less accumulated impairment losses.

### 3 Turnover

The whole of the Group's turnover is attributable to the provision of goods and services which fall within the Group's ordinary activities, stated net of value added tax.

The turnover is derived from the continuing activities being the building, acquiring, letting and operation of crematoria and cemeteries and providing other related services.

All turnover arose within the United Kingdom in the current and prior year.

### 4 Non-recurring costs

Non-recurring costs of £262,000 (2021: £764,000) relate to a one-off early termination fee for third party systems replaced in the system upgrade programme (£161,000) and abortive transaction fees (£101,000).

These items have been disclosed as non-recurring costs in the consolidated profit and loss account as they are not considered to be part of the Group's recurring expenses incurred as part of its principal activities.

## Notes (continued)

### 5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	2022 £'000	2021 £'000
Amortisation – intangible fixed assets	2,317	2,289
Depreciation of tangible fixed assets – owned by the Group	5,401	4,713
Operating lease rentals:		
– Land and buildings	3,343	3,446

#### Auditors' remuneration:

Audit of these financial statements	4	3
Audit of financial statements of subsidiaries of the Company	55	45

Fees paid to the Company's auditors, PricewaterhouseCoopers LLP, and its associates for services other than the statutory audit of the Group and Company were as follows

	2022 £'000	2021 £'000
Tax advice and compliance	46	45
Other non-audit services	13	9

### 6 Staff numbers and costs

The average number of staff employed by the Group, including directors, during the year was:

	2022 No.	2021 No.
Site operations	328	312
Administration	90	65
	418	377

The aggregate payroll costs of the above were:

	2022 £'000	2021 £'000
Wages and salaries	11,906	10,937
Social security costs	1,218	941
Contributions to defined contribution plans	519	536
Expenses related to defined benefit plans	2	206
	13,645	12,620

**Notes (continued)**

**7 Directors' remuneration**

	2022 £'000	2021 £'000
Directors' emoluments	1,042	1,144
Company pension contributions to defined contribution pension schemes	14	67

During the year, retirement benefits were accruing to one director (2021: three) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £355,000 (2021: £305,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2021: £21,000).

During the year, £nil (2021: £145,000) was paid to directors in relation to loss of office.

**8 Interest payable and similar charges**

	2022 £'000	2021 £'000
On bank loans and overdrafts	6,630	5,806
Bank fees and issue costs	949	921
On finance leases	185	369
	7,764	7,096

**9 Tax on profit on ordinary activities**

Total tax charge recognised in the consolidated profit and loss account:

	2022 £'000	2021 £'000
<i>Current tax:</i>		
UK corporation tax based on the results for the year	2,903	2,949
Adjustments in respect of prior years	(63)	61
Total current tax	2,840	3,010
<i>Deferred tax (see note 19):</i>		
Origination and reversal of timing differences	484	386
Adjustments in respect of prior years	25	4
Effect of tax rate change on opening balance	1	2,055
Total deferred tax	510	2,445
Total tax	3,350	5,455

**Notes (continued)**

**9 Tax on profit on ordinary activities (continued)**

	Current tax £'000	Deferred tax £'000	2022 Total tax £'000	Current tax £'000	Deferred tax £'000	2021 Total tax £'000
Recognised in profit and loss account	2,840	510	3,350	3,010	2,445	5,455
Recognised in other comprehensive income	-	1,468	1,468	-	1,155	1,155
<b>Total tax</b>	<b>2,840</b>	<b>1,978</b>	<b>4,818</b>	<b>3,010</b>	<b>3,600</b>	<b>6,610</b>

**Reconciliation of effective tax rate**

	2022 £'000	2021 £'000
Profit for the year	7,941	7,268
Total tax charge	3,350	5,455
Profit on ordinary activities before taxation	11,291	12,723
Tax using the UK corporation tax rate of 19% (2021: 19%)	2,145	2,417
Non-deductible expenses	1,404	1,284
Group relief	(114)	(313)
Transfer pricing adjustment	25	49
Changes in corporation tax rate	3	2,055
Adjustments in respect of prior years	(38)	(1)
Income not taxable	(31)	(42)
Defined benefit OCI transfer out	(44)	6
Total tax expense included in profit or loss	3,350	5,455

**Factors that may affect future current and total tax charges**

In the Spring Budget 2021, the Government announced that from 6 April 2023 the headline corporation tax rate will increase from its current rate of 19% to 25%. This was reconfirmed in the Spring Budget 2023.

Deferred tax assets and liabilities are therefore recognised at 25% except in cases where the timing differences are expected to reverse prior to 6 April 2023, in which case the 19% rate is applied (2021: 19%) (see note 19).

## Notes (continued)

### 10 Intangible assets

Group	Website development £'000	Goodwill £'000	Total £'000
<b>Cost</b>			
At 1 January 2022	190	45,654	45,844
Additions	86	-	86
<b>At 31 December 2022</b>	<b>276</b>	<b>45,654</b>	<b>45,930</b>
<b>Accumulated Amortisation</b>			
Balance at 1 January 2022	5	31,270	31,275
Charge for the year	34	2,283	2,317
<b>At 31 December 2022</b>	<b>39</b>	<b>33,553</b>	<b>33,592</b>
<b>Net book value</b>			
<b>At 31 December 2022</b>	<b>237</b>	<b>12,101</b>	<b>12,338</b>
At 31 December 2021	185	14,384	14,569

The Company had no intangible assets at 31 December 2022 (2021: £nil).

### 11 Tangible assets

Group	Freehold property £'000	Long leasehold property £'000	Plant and machinery and motor vehicles £'000	Assets in the course of construction £'000	Total £'000
<b>Cost or valuation</b>					
Balance at 1 January 2022	69,249	70,837	28,416	15,847	184,349
Additions	5	742	2,136	17,146	20,029
Transfers	9,155	6,519	1,556	(17,230)	-
Disposals	(3)	(21)	(3,994)	-	(4,018)
<b>At 31 December 2022</b>	<b>78,406</b>	<b>78,077</b>	<b>28,114</b>	<b>15,763</b>	<b>200,360</b>
<b>Accumulated Depreciation</b>					
Balance at 1 January 2022	8,197	10,604	11,514	-	30,315
Charge for the year	584	2,400	2,417	-	5,401
Disposals	(3)	(21)	(3,994)	-	(4,018)
<b>At 31 December 2022</b>	<b>8,778</b>	<b>12,983</b>	<b>9,937</b>	<b>-</b>	<b>31,698</b>
<b>Net book value</b>					
<b>At 31 December 2022</b>	<b>69,628</b>	<b>65,094</b>	<b>18,177</b>	<b>15,763</b>	<b>168,662</b>
At 31 December 2021	61,052	60,233	16,902	15,847	154,034

The net book value of leasehold property for the group includes an amount of £2,759,000 (2021: £nil) in respect of assets held under finance leases and hire purchase contracts.

The Company had no tangible assets at 31 December 2022 (2021: £nil).

**Notes (continued)**

**12 Investments**

	<b>Unlisted investments</b>
	<b>£'000</b>
<b>Group</b>	
<i>Cost and net book value</i>	
Balance at 1 January 2022	1
Disposals	(1)
	<hr/>
<b>At 31 December 2022</b>	<b>-</b>
	<hr/>
	<b>Investments in subsidiary companies</b>
	<b>£'000</b>
<b>Company</b>	
<i>Cost and net book value</i>	
Balance at 1 January 2022	73,444
Additions	82,300
Disposals	(73,444)
	<hr/>
<b>At 31 December 2022</b>	<b>82,300</b>
	<hr/>

During the year the Group underwent a restructure, with Westerleigh Group Holdings Limited having a different group of subsidiaries under its immediate control following this restructure. This restructure has been treated as a business combination under common control, with no change in the ultimate parent company and controlling entity. As such there has been no revaluation of assets and liabilities as a result of the group restructure.

Details of the subsidiaries are set out in note 27. All subsidiaries have been included in the consolidation.

**13 Stocks**

	<b>2022</b>		<b>2021</b>	
	<b>Group £'000</b>	<b>Company £'000</b>	<b>Group £'000</b>	<b>Company £'000</b>
Work in progress	926	-	624	-
Finished goods	703	-	477	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>1,629</b>	<b>-</b>	<b>1,101</b>	<b>-</b>
	<hr/>	<hr/>	<hr/>	<hr/>



**Notes (continued)**

**14 Debtors**

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
<b><i>Amounts falling due within one year</i></b>				
Trade debtors	13,330	-	6,044	-
Amounts owed by group undertakings	27,109	164,419	31,829	169,559
Other debtors	1,828	1,251	870	6
Deferred taxation (see note 19)	-	-	-	134
Prepayments and accrued income	1,650	-	1,490	-
	<u>43,917</u>	<u>165,670</u>	<u>40,233</u>	<u>169,699</u>
<b><i>Amounts falling due after more than one year</i></b>				
Other financial assets (see note 22)	5,942	5,942	-	-

Trade debtors are stated after provisions for impairment of £27k (2021: £24k).

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**15 Cash at bank and in hand**

	2022 £'000	2021 £'000
<b>Group</b>		
Cash at bank and in hand	29,297	38,194
Cash and cash equivalents per cash flow statements	<u>29,297</u>	<u>38,194</u>
<b>Company</b>		
Cash at bank and in hand	19,571	29,914
Cash and cash equivalents	<u>19,571</u>	<u>29,914</u>

There were no significant non-cash transactions in the year.

**Notes (continued)**

**16 Creditors: amounts falling due within one year**

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Trade creditors	1,935	-	2,232	1
Amounts owed to group undertakings	-	53,999	14,655	64,003
Corporation tax	95	-	144	-
Other taxation and social security	1,010	-	622	-
Other creditors	893	2	438	2
Finance lease obligations (see note 25)	427	-	265	-
Accruals and deferred income	7,825	180	6,371	161
	<b>12,185</b>	<b>54,181</b>	<b>24,727</b>	<b>64,167</b>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

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

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Bank loans and overdrafts	208,547	208,547	196,406	196,406
Finance lease obligations (see note 25)	4,711	-	4,915	-
Other financial liabilities (see note 22)	-	-	587	587
Other creditors	84	-	231	-
	<b>213,342</b>	<b>208,547</b>	<b>202,139</b>	<b>196,993</b>

## Notes (continued)

### 18 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group and the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

	Group £'000	2022 Company £'000	Group £'000	2021 Company £'000
<b>Creditors falling due after more than one year:</b>				
Secured bank loans	208,547	208,547	196,406	196,406
Other financial liabilities	-	-	587	587
	<b>208,547</b>	<b>208,547</b>	<b>196,993</b>	<b>196,993</b>

The bank loan which totals £210,053,000 (2021: £200,053,000) is disclosed net of amortised refinancing costs of £1,506,000 (2021: £3,646,000).

The loans are secured by fixed and floating charges over the Company's assets. The loans are in GBP, with interest charged at a rate of SONIA plus CAS plus margin and falls due for repayment in 2026.

### 19 Deferred tax (liability)/asset

	Group £'000	2022 Company £'000	Group £'000	2021 Company £'000
At 1 January	(8,537)	134	(4,937)	1,279
Recognised in profit and loss account	(510)	1	(2,445)	-
Recognised in other comprehensive income	(1,468)	(1,502)	(1,155)	(1,145)
<b>At 31 December</b>	<b>(10,515)</b>	<b>(1,367)</b>	<b>(8,537)</b>	<b>134</b>

Deferred tax assets and liabilities are attributable to the following:

#### Group

	Assets 2022 £'000	Liabilities 2022 £'000	Net 2022 £'000	Assets 2021 £'000	Liabilities 2021 £'000	Net 2021 £'000
Accelerated capital allowances	-	(4,155)	(4,155)	-	(5,124)	(5,124)
Arising on business combinations	-	(5,010)	(5,010)	-	(3,562)	(3,562)
Cash flow hedges	-	(1,367)	(1,367)	135	-	135
Other	17	-	17	14	-	14
	<b>17</b>	<b>(10,532)</b>	<b>(10,515)</b>	<b>149</b>	<b>(8,686)</b>	<b>(8,537)</b>

#### Company

	Assets 2022 £'000	Liabilities 2022 £'000	Net 2022 £'000	Assets 2021 £'000	Liabilities 2021 £'000	Net 2021 £'000
Cash flow hedges	-	(1,367)	(1,367)	135	-	135

## Notes (continued)

### 20 Called up share capital

<b>Group and Company</b>	<b>2022</b>	2021
<i>Allotted, called up and fully paid</i>	<b>£'000</b>	£'000
21,051 (2021: 21,051) A ordinary shares of £1 each	<b>21</b>	21
100 (2021: 100) B ordinary shares of £0.001 each	-	-
	<hr/> <b>21</b>	<hr/> 21

The holders of A ordinary shares are entitled to receive dividends.

The holders of the majority of the B ordinary shares have the right to appoint or remove directors. The holders of the B ordinary shares are not entitled to receive dividends.

### 21 Other reserves

The cash flow hedge reserve represents the cumulative portion of gains and losses on hedging instruments deemed effective.

The profit and loss account represents cumulative profits and losses, net of dividends paid and other adjustments.

### 22 Financial instruments

#### Group

#### *Carrying amount of financial instruments*

The amounts for all financial assets/(liabilities) carried at fair value are as follows:

	<b>Fair value</b>	Fair value
	<b>2022</b>	2021
	<b>£'000</b>	£'000
Interest rate swap	<b>5,942</b>	(587)

#### *Financial instruments measured at fair value*

The fair value of interest rate swaps is based on 3<sup>rd</sup> party bank valuations. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

## Notes (continued)

### 22 Financial instruments (continued)

#### Hedge accounting

The following table indicates the years in which the cash flows associated with cash flow hedging instruments are expected to occur as required by FRS 102.12.29(a) for the cash flow hedge accounting models.

Group	2022 £'000	2021 £'000
<b>Interest rate swaps:</b>		
Carrying amount – asset/(liability)	5,942	(587)
<b>Expected cash inflows/(outflows):</b>		
Within one year	5,418	(2,152)
Between one and two years	436	(151)
Between two and five years	-	4
	<b>5,854</b>	<b>(2,299)</b>

The Group's policy in relation to its secured bank loans (see note 18) is to mitigate the impact of increases in SONIA by entering into interest rate swap arrangements whereby the variable rate interest associated with the loan is hedged with interest rate swaps.

The interest rate swaps are floating to fixed arrangement, comprising the following cash flow hedges:

- £175 million for 5 years from 29 January 2019 at 1.3%

The amount of the change in fair value of the hedging instrument recognised in other comprehensive income for the year is £6,529,000 (2021: £6,148,000). Within the year £nil was reclassified from equity to profit or loss (2021: £nil). The total coverage at the year end of £175 million (2021: £175 million) is equivalent to 87.5% (2021: 87.5%) of bank debt at the balance sheet date. Fair value at the year end represents a liability resulting from the relationship between the instrument's fixed rate in relation to the forward expectation of base and SONIA interest rates over the remaining term.

### 23 Capital commitments

At 31 December, the Group and Company had capital commitments as follows:

	2022		2021	
	Group £'000	Company £'000	Group £'000	Company £'000
Contracted for but not provided in these financial statements	5,000	-	-	-

The £5,000,000 commitment disclosed above relates to a build contract for a new site that was signed at the year end.

## Notes (continued)

### 24 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 costs for the year represent contributions payable by the Group to the fund and amounted to £519,000 (2021: £536,000).

The Group is also part of the Citrus Pension Plan, a multi-employer defined benefit pension scheme, with separate assets for each employer's section.

The Group includes its share of the assets and liabilities of the scheme in its balance sheet. Current service costs, curtailment and settlement gains and losses and net financial returns are included in the profit and loss account in the year to which they relate. Actuarial gains and losses are included in other comprehensive income.

The latest full actuarial valuation was carried out as at 31 December 2022 by a qualified independent actuary.

The information disclosed below is in respect of the plans existing within the Group:

#### *Net pension liability*

	2022 £'000	2021 £'000
Defined benefit obligation	(412)	(596)
Plan assets	544	877
	<hr/>	<hr/>
Net pension asset	132	281
	<hr/>	<hr/>

#### *Movements in present value of defined benefit obligation*

	2022 £'000	2021 £'000
Opening	596	596
Current service cost	11	11
Administration costs	36	15
Interest expense	11	8
Re-measurement: actuarial gains	(204)	(18)
Contributions by members	2	2
Benefits and expenses paid	(40)	(18)
	<hr/>	<hr/>
At 31 December	412	596
	<hr/>	<hr/>

#### *Movements in fair value of plan assets*

	2022 £'000	2021 £'000
Opening	877	612
Interest income	16	8
Re-measurement: return on plan assets less interest income	(341)	49
Contributions by employer	30	224
Contributions by members	2	2
Benefits and expenses paid	(40)	(18)
	<hr/>	<hr/>
At 31 December	544	877
	<hr/>	<hr/>

**Notes (continued)**

**24 Pension commitments (continued)**

*Expense recognised in the profit and loss account*

	<b>2022</b>	2021
	<b>£'000</b>	£'000
Current service cost	<b>(11)</b>	(11)
Administration costs	<b>(36)</b>	(15)
	<hr/>	<hr/>
Total expense recognised in profit or loss	<b>(47)</b>	(26)
	<hr/>	<hr/>

The fair value of the plan assets and the return on those assets were as follows:

	<b>2022</b>		2021	
	<b>£'000</b>	<b>%</b>	£'000	<b>%</b>
Equities	<b>36</b>	<b>7%</b>	102	12%
Absolute return and hedge funds	<b>151</b>	<b>28%</b>	312	36%
Liability Driven Investments	<b>121</b>	<b>22%</b>	219	25%
Multi asset credit funds	<b>76</b>	<b>14%</b>	70	8%
Synthetic credit	<b>47</b>	<b>9%</b>	71	8%
Cash	<b>113</b>	<b>20%</b>	103	11%
	<hr/>		<hr/>	
	<b>544</b>		877	
	<hr/>		<hr/>	
Actual return on plan assets	<b>(341)</b>		49	
	<hr/>		<hr/>	

Principal actuarial assumptions (expressed as weighted averages) at the year-end were as follows:

	<b>2022</b>	2021
	<b>%</b>	<b>%</b>
Discount rate	<b>4.75</b>	1.90
Future salary increases	<b>4.20</b>	4.25
Future pension increases	<b>3.20</b>	3.25
Inflation	<b>3.20</b>	3.25
	<hr/>	<hr/>

**Notes (continued)**

**25 Leases**

Total of group future minimum lease payments under finance leases:

	2022 £'000	2021 £'000
<b>Group</b>		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	222	221
Between one and five years	1,034	1,066
More than five years	8,574	8,834
	<u>9,830</u>	<u>10,121</u>
Discounted lease liabilities included in the balance sheet		
Current	427	265
Non-current	4,711	4,915
	<u>5,138</u>	<u>5,180</u>
Total lease liabilities included in the balance sheet		
	<u>5,138</u>	<u>5,180</u>

The finance leases are for land which is rented for periods of up to 90 years. These are recognised as tangible fixed assets (see note 11).

Non-cancellable operating lease rentals are payable as follows:

	2022 £'000	2021 £'000
<b>Group</b>		
Less than one year	2,615	2,575
Between one and five years	8,778	9,360
More than five years	76,998	78,766
	<u>88,391</u>	<u>90,701</u>

A number of the Group's crematoria sites are based on land occupied under long leasehold arrangements varying between 25 and 125 years.



## Notes (continued)

### 26 Contingent liabilities

The Company has entered into bank guarantees to guarantee loans and overdrafts. At 31 December 2022, the amount guaranteed was £210,053,000 (2021: £200,053,000). The loans are secured by fixed and floating charges over the Group's assets.

### 27 Subsidiaries

The following entities, incorporated in England and Wales, were subsidiary undertakings of the Company:

Company name	Percentage shareholding	Description
Westerleigh Crematoria Limited	100%*	Intermediate holding company (non-trading)
Westerleigh Group Limited**	100%	Letting of crematoria and management services
Cemetery Management Limited	100%*	Intermediate holding company (non-trading)
AK Lander Limited	100%	Manufacture and supply of monumental masonry
Westerleigh Newco Limited**	100%*	Non-trading
Crematoria Management Limited	100%*	Management of crematoria and cemeteries
Next Environmental Services Limited**	100%*	Letting of crematoria site and crematoria equipment
Torbay Cemetery and Crematorium Limited	100%*	Management of cemeteries and crematoria
Cemetery and Crematorium Services Limited	100%*	Management of cemeteries
New Southgate Cemetery and Crematorium Limited**	100%*	Management of cemeteries and crematoria
Forest Park Cemetery and Crematorium Limited	100%*	Management of cemeteries and crematoria
WK Crematoria Limited	100%	Intermediate holding company (non-trading)
Kent County Crematorium Limited**	100%*	Management of crematoria
Community Crematoria Limited	100%*	Management of cemeteries and crematoria
Llanelli Crematorium Holdings Limited	100%*	Intermediate holding company (non-trading)
Llanelli Crematorium Limited	100%*	Non-trading
Westerleigh Propco 1 Limited**	100%*	Leasing of freehold property
Distinct Cremations Holdings Limited**	100%	Intermediate holding company
Distinct Cremations Limited**	100%*	Provision of direct cremations
Distinct Funeral Plans Limited	100%*	Management of funeral plans

\* held indirectly

\*\*The subsidiary has claimed the exemption from audit under s479A of the Companies Act 2006.

All subsidiaries above were incorporated in the UK and included in the consolidated financial statements of Westerleigh Group Holdings Limited. The registered address of all the subsidiaries above is Head Office, Westerleigh Crematorium, Westerleigh Road, Westerleigh, Bristol, BS37 8QP.

### 28 Ultimate controlling party

The Company's immediate parent undertaking is Westerleigh WGH Limited, a company registered in the United Kingdom. During the year, the Company was controlled by Westerleigh WGH Limited, by virtue of its shareholding.

The smallest group in which the results of the Group are consolidated is that of Western Bidco Limited, a company registered in the United Kingdom. These financial statements can be obtained from the registered office. The largest group in which the results of the Group are consolidated is that of Western Topco Limited, a Jersey registered company, registered office of 44 Esplanade, St Helier, Jersey, JE4 9WG. Western Topco Limited is controlled by L3 Investment Holdings Ltd (the subsidiary of a pensions scheme registered in the UK) and 2543723 Ontario Limited (a subsidiary of a pension plan registered in Canada) which hold the majority of the share capital.

**Notes (continued)**

**29 Net debt reconciliation**

	<b>1 January 2022 £'000</b>	<b>Cash flows £'000</b>	<b>Other non- cash changes £'000</b>	<b>31 December 2022 £'000</b>
<b>Group</b>				
Cash at bank and in hand	38,194	(8,897)	-	<b>29,297</b>
Bank loans	(196,406)	(12,141)	-	<b>(208,547)</b>
Finance lease obligations	(5,180)	42	-	<b>(5,138)</b>
Interest rate swaps	(587)	-	6,529	<b>5,942</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net Debt</b>	<b>(163,979)</b>	<b>(20,996)</b>	<b>6,529</b>	<b>(178,446)</b>
	<hr/>	<hr/>	<hr/>	<hr/>