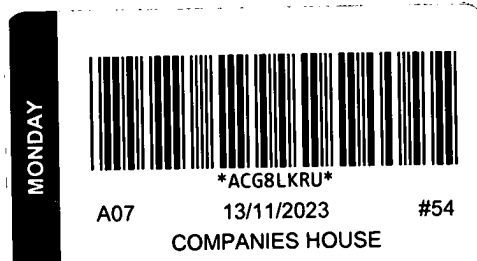


***Wincanton***

**RDL Distribution Limited**

**Report and financial statements  
31 March 2023**

Company Registration Number: 00527890



## **RDL Distribution Limited**

### **COMPANY INFORMATION**

#### **Directors**

L Colloff  
J Wroath

#### **Company number**

00527890

#### **Registered office**

Wincanton Plc  
Methuen Park,  
Chippenham,  
England,  
SN14 0WT

#### **Auditor**

BDO LLP  
Bridgewater House,  
Finzels Reach,  
Counterslip,  
Bristol  
BS1 6BX

<b>Contents</b>	<b>Page</b>
Directors' report	1
Director's responsibilities statement	2
Independent auditor's report to the members of RDL Distribution Limited	3
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

## **Directors' report**

### **FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report for RDL Distribution Limited ("the Company") for the year ended 31 March 2023.

#### **Principal activity**

The Company does not trade.

#### **Review of developments**

The Company incurred a loss for the year, after taxation, of £467,000 (2022: £1,023,000) as shown on page 7. This relates to corporation tax on imputed interest income arising on the amounts owed by group undertakings which are interest-free.

#### **Dividends**

The Directors do not recommend a dividend for the year (2022: nil).

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements, unless otherwise stated, were as follows:

J Wroath  
L Colloff

#### **Going Concern**

The financial statements have been prepared on a going concern basis. Further details are provided in the Going concern section of Note 1 to the financial statements, Accounting Policies.

#### **Disclosure of information to the auditor**

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 auditor is 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 auditor is aware of that information.

On behalf of the Board



**L Colloff**

*Director*

26 October 2023

#### **Registered office**

Methuen Park  
Chippenham  
Wiltshire  
SN14 0WT

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

### **FOR THE YEAR ENDED 31 MARCH 2023**

The Directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). 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 year. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RDL DISTRIBUTION LIMITED**

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its loss 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.

We have audited the financial statements of RDL Distribution Limited ("the Company") for the year ended 31 March 2023 which comprise the income statement, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### **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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

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

### **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 Directors are responsible for the other information. The other information comprises the information included in the Report and financial statements, other than the financial statements and our auditor's report thereon. 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RDL DISTRIBUTION LIMITED *(continued)***

### **Other Companies Act 2006 reporting**

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

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

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 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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirements to prepare a strategic report.

### **Responsibilities of Directors**

As explained more fully in the Directors Statement Responsibilities, 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.

### **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.

### ***Extent to which the audit was capable of detecting irregularities, including fraud***

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:

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RDL DISTRIBUTION LIMITED (continued)**

### ***Extent to which the audit was capable of detecting irregularities, including fraud (continued)***

#### ***Non-compliance with laws and regulations***

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations

We considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be UK tax legislation.

#### ***Fraud***

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the determination of the value of tax losses to be utilised against parent company profits.

Our procedures in respect of the above included:

- Review the tax computations and ensure these are in line with expectation; and
- Ensuring it is appropriate to recognise a tax loss.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

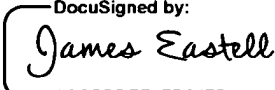
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RDL DISTRIBUTION LIMITED *(continued)*

### Use of our report

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

DocuSigned by:  
  
ACDBBDEF1FD247D...

James Eastell (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Bristol, UK

27 October 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

		31 March 2023 £'000	31 March 2022 £'000
	<i>Note</i>		
<b>Turnover</b>		-	-
<b>Operating result</b>	2	-	-
Interest payable and similar charges	3	-	(16)
<b>Loss on ordinary activities before taxation</b>		-	(16)
Tax on loss on ordinary activities	4	(467)	(1,007)
<b>Loss for the financial year</b>		<u>(467)</u>	<u>(1,023)</u>

The Company had no recognised gains and losses other than the losses above and therefore separate Statement of Other Comprehensive Income has not been presented.

## BALANCE SHEET

at 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
<b>Current assets</b>			
Debtors	5	31,378	32,401
<b>Creditors: amounts falling due within one year</b>	6	(467)	(1,023)
<b>Net current assets</b>		<u>30,911</u>	<u>31,378</u>
<b>Capital and reserves</b>			
Issued share capital	7	2,834	2,834
Retained earnings		<u>28,077</u>	<u>28,544</u>
<b>Equity shareholders' funds</b>		<u>30,911</u>	<u>31,378</u>

These financial statements were approved by the Board of Directors and authorised for issue on 26 October 2023 and were signed on its behalf by:



L Colloff  
Director

Company Registration Number: 00527890

**Statement of changes in equity**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	<b>Issued share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
Balance at 1 April 2021 (Unaudited)	2,834	29,567	32,401
Loss for the year	-	(1,023)	(1,023)
Total comprehensive expense	-	(1,023)	(1,023)
Balance at 31 March 2022	2,834	28,544	31,378
Loss for the year	-	(467)	(467)
Total comprehensive expense	-	(467)	(467)
Balance at 31 March 2023	2,834	28,077	30,911

## Notes to the financial statements

### FOR THE YEAR ENDED 31 MARCH 2023

#### 1. Accounting policies

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

##### Basis of preparation

RDL Distribution Limited (the Company) is a private company limited by shares and is registered and incorporated in England and Wales. The address of the Company's registered office is Wincanton plc, Methuen Park, Chippenham, Wiltshire, SN14 0WT.

The Company's principal activity and nature of its operations are disclosed in the Directors' report.

##### Accounting convention

These financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest thousand £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This Company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The Company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' - Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument;
- Section 33 'Related Party Disclosures' - Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Wincanton plc. These consolidated financial statements can be obtained from that company's registered office.

##### Going Concern

The financial statements have been prepared on a going concern basis. The Directors have received in writing confirmation from the Directors of the ultimate parent company, Wincanton plc, that they will provide the necessary support needed. The below assessment is from the consolidated financial statements of Wincanton plc and its subsidiaries (Group).

## Notes to the financial statements *(continued)*

### 1. Accounting policies *(continued)*

The adoption of the going concern basis is based on an expectation that the Group will have adequate resources to continue in operational existence for at least twelve months from the signing of the consolidated full year financial statements. For the purpose of this going concern assessment, the Directors have considered an 18 month period from the balance sheet date, aligned with the business forecasting outlook period, and extended to 31 December 2024. The Group has reported an underlying profit before tax of £62.1m for the twelve months ended 31 March 2023 (31 March 2022: £58.1m), has net current liabilities of £148.2m (31 March 2022: £128.2m) and net assets of £59.1m (31 March 2022: £63.6m).

The Group's committed facilities at 31 March 2023 comprise a syndicated revolving credit facility (RCF) of £175.0m, which matures in March 2027. The Group had £175.0m of undrawn amounts against the RCF facility as at 31 March 2023. The RCF requires the Group to comply with the following three financial covenants at 30 September and 31 March each financial year:

- leverage ratio: consolidated total net borrowings of no more than 3.0 times consolidated EBITDA for the preceding 12 month period;
- interest cover: consolidated EBITDA for the preceding 12 month period is not less than 3.5 times higher than consolidated net finance charges for the preceding 12 month period; and
- fixed charge cover: consolidated EBITDA plus operating lease costs for the preceding 12 month period is not less than 1.4 times higher than consolidated net finance charges plus operating lease costs for the preceding 12 month period.

See Note 28 'Financial instruments' within the Group's Annual Report and Accounts 2023 for the covenant assessment as at 31 March 2023 which shows we have significant headroom across all of the covenants.

In arriving at the conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources above are sufficient to accommodate the principal risks and uncertainties faced by the Group.

The Directors have reviewed the financial forecasts across a range of scenarios. The severe downside case assumes a deterioration in trading performance as a result of weaker economic conditions and a more competitive trading environment, as well as a major customer going into administration. Overall, the impact of this severe downside case reduces the forecast underlying profit before tax by over 60%. This scenario also assumes a deterioration in working capital performance compared to the base case as a result of delayed cash receipts, together with a further material unplanned cash outflow linked to a general commercial dispute. On top of these downsides, the impact of an increase to base interest rates and the removal of the Group's Receivables Purchasing Framework facility were also modelled.

These downsides would be partly offset by the application of mitigating actions to the extent they are under management's control, including deferrals of capital and other discretionary expenditure, as well as management bonus payment deferral and claiming against insurance cover to offset any commercial dispute.

In all scenarios, the Group has sufficient liquidity and adequate headroom in the committed facilities set out above to meet its liabilities as they fall due and the Group complies with the financial covenants under the RCF at 30 September and 31 March throughout the forecast period. The Group has also carried out reverse stress tests against the downside case to determine the performance levels that would result in a breach of covenants and the Directors do not consider such a scenario to be plausible.

The Directors have also considered the impact of climate-related matters on the Group's going concern assessment, and do not expect this to have a significant impact on the going concern assessment throughout the forecast period.

Since performing their assessment, there have been no subsequent changes in facts and circumstances relevant to the Directors' assessment of going concern.

## Notes to the financial statements *(continued)*

### 1. Accounting policies *(continued)*

#### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

#### **Judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors are of the opinion that there are no judgements or estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

## Notes to the financial statements *(continued)*

### 2. Operating result

Operating result in the year was £nil (2022: £nil).

The Company has no employees.

The Directors of the Company are paid emoluments by another Group company for their services to the Wincanton Group as a whole. Their emoluments in respect of the Company in the period ended 31 March 2023 were £nil (2022: £nil). No recharge is made to the Company for their services.

Amounts receivable by the Company's auditor in respect of the audit of these financial statements of £4,300 (2022: £4,500) are paid on the Company's behalf by Wincanton Holdings Limited. There are no fees payable to the Company's auditor in respect of other services for the current or prior year.

### 3. Interest payable and similar charges

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Other external interest payable	-	16

### 4. Taxation

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
<b>UK corporation tax</b>	<b>403</b>	<b>336</b>
Tax on loss on ordinary activities	64	671
	<b>467</b>	<b>1,007</b>

The following table reconciles the tax credit at the UK standard rate to the actual tax charge:

	Year ended 31 March 2023 £'000	Year ended 31 March 2022 £'000
Loss on ordinary activities before tax	-	(16)
Tax credit at UK standard rate of 19% (2022: 19%)	-	(3)
Tax impact of imputed interest income	403	339
Adjustment in respect of prior years	64	671
Total tax charge for the year	<b>467</b>	<b>1,007</b>

The main UK corporation tax rate remained at 19% (2022: 19%). The Finance Bill 2021 increases the corporation tax rate to 25% as from 1 April 2023.



## Notes to the financial statements *(continued)*

### 5. Debtors

	31 March 2023 £'000	31 March 2022 £'000
Amounts owed by group undertakings	<u>31,178</u>	<u>32,401</u>

All amounts owed by group undertakings are non-interest bearing and repayable on demand.

### 6. Creditors

	31 March 2023 £'000	31 March 2022 £'000
Accruals	-	16
Corporation tax payable	<u>467</u>	<u>1,007</u>
	<u>467</u>	<u>1,023</u>

The Corporation tax payable and related interest has been settled by a fellow group undertaking post year end.

### 7. Issued share capital

	31 March 2023 £'000	31 March 2022 £'000
<b>Allotted, called up and fully paid:</b>		
Equity: 2,833,558 ordinary shares of £1 each	<u>2,834</u>	<u>2,834</u>

### 8. Ultimate and immediate parent companies and controlling parties

The ultimate holding company and controlling company is Wincanton plc, a company incorporated in the UK and registered in England and Wales. The immediate controlling company is RDL Holdings Limited which is also registered in England and Wales.

The largest and smallest group in which the results of the Company are consolidated is that headed by Wincanton plc. Copies of the report and accounts of Wincanton plc can be obtained from the Company Secretary, Wincanton plc, Methuen Park, Chippenham, Wiltshire, SN14 0WT.