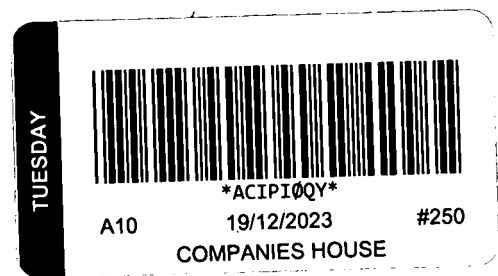


Company Registration Number 01781765

**BURLINGTON SLATE LIMITED**  
**FINANCIAL STATEMENTS**  
**31 MARCH 2023**



**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers

**BURLINGTON SLATE LIMITED**

**COMPANY INFORMATION**

**Directors**

Lord Cavendish  
Lady Cavendish  
Allen Gibb  
The Hon Miss Lucy Cavendish  
David Sarti  
Lucy Armstrong  
Stuart Sims  
Richard Page

**Registered number**

01781765

**Registered office**

Cavendish House  
Kirkby-In-Furness  
Cumbria  
LA17 7UN

**Independent auditors**

Armstrong Watson Audit Limited  
Chartered Accountants and Statutory Auditors  
Fairview House  
Victoria Place  
Carlisle  
Cumbria  
CA1 1HP

**Bankers**

Barclays Commercial Bank  
PO Box 195 Barclays House  
Oxenholme Road  
Kendal  
Cumbria  
BX3 2BB

## **BURLINGTON SLATE LIMITED**

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## **BURLINGTON SLATE LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023**

#### **Introduction**

The directors present the strategic report for the year ended 31 March 2023.

#### **Business review**

The principal activity of the company continued to be the manufacture and sale of natural British stone products.

The Group profit and loss account reports an improvement in turnover of £1.7m or 30.2% (£7.23m FY23 versus £5.56m FY22). This improvement in revenue is driven by stronger than expected export sales and a buoyant domestic demand for all our products. Inflationary price increases also supported the sales growth, but are eroded by significant input cost increases, this is discussed further in the KPI section.

The outlook in our core markets remains positive with a strong project pipeline, however during quarter four, we have witnessed a reluctance from customers to commit to larger scale architectural projects. This is undoubtedly due to a lack of confidence brought about by geopolitical economic uncertainty. Burlington continues to develop its core quarrying assets and has invested in new production machinery within the factory over the last 12 months. These investments will further improve the efficiency and capability of the factory.

#### **Principal risks and uncertainties**

Risks and uncertainties remain unchanged in the current year, the exposure of working with a natural raw material being the key geotechnical consideration for the business.

High inflation and increased interest rates have created significant uncertainty in our domestic and export markets and will impact Burlington's activities in both the specification-led roofing market and high-end dimensional stone sectors.

Price competition from low cost overseas imports and architects using manufactured products remain a challenge to our market.

The superior quality of the Lake District product, coupled with an absolute focus on service, sustainability and delivery, significantly enhances the customer's value for money. This focus on quality and value by our customer base is supported by a strong customer project conversion rate, (from enquiry to completion), of over 60%.

The directors remain confident that demand for our premium grade products offered at a competitive price will continue and that our legacy of quality and value will reduce the impact of price based risk from cheaper, inferior quality imported stones and non-natural manufactured products.

#### **Position of the Group at the Year End**

Net assets increased from £5.7m to £5.9m. In the year a significant element of the Kirkby Quarry development was completed, being financed from additional borrowing, profits and cash generated from business activities. As a result fixed assets increased by £3.3m, but net current assets fell by £1.6m to £0.6m due to investment, whilst long term creditors increased by £1.4m to £3.0m.

Burlington Slate Limited continues to enjoy the support of the wider Holker Group.

## **BURLINGTON SLATE LIMITED**

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

#### **Financial key performance indicators**

Burlington is relatively unique in creating product from a raw material sourced from nature. Therefore, business KPIs are not always readily comparable with a specific industry norm nor indeed do they always allow for commercial sensitivity. Directors monitor the performance of the company using a number of detailed financial and production based KPIs through daily, weekly and monthly reporting processes. Measures include extraction and output tonnage, raw material utilisation, productivity and yield measures.

The key financial performance indicators are primarily the gross profit, gross margin and operating profit. The gross profit margin increased from 26.9% to 30.1%. This improvement in gross profit helped to support some of the large inflationary increases in administrative expenses.

Overall, the operating profit in the year was £338k compared to an operating profit in the prior year of £470k. This being an operating profit margin of 4.7% vs. a prior year of 8.5%. The prior year included a one off other operating income benefit. Restated, the prior year operating margin was 5.2%, thus the current year underlying performance is a reduction in Operating Profit margin of 0.5%. Management are confident they will improve the operating profit margin in the upcoming financial year.

#### **Future developments**

Burlington Slate Limited continues to focus its efforts on identifying new markets, bringing forward new products and enhancing the current offer with a series of added features, chiefly around sustainability. We are currently progressing the installation of solar panels at our Kirkby site, which will further assist our sustainability goals.

The business strategy is to move to ongoing and sustainable development of Kirkby Quarry. This work will continue from where the contractor led 'phase one development' ceased. This will enhance the availability of high quality raw materials, increase efficiency, whilst achieving long-term sustainability and the ability to expand into new markets. Burlington shall strive for continued improvement in the years ahead driven by advancing production techniques, quality and design aligned to the unique and incomparable stone product created by highly skilled Cumbrian craftsmen.

Burlington remains focused on utilising 100% of extracted stone, whilst creativity, service and quality will always be key to the protection of Burlington's heritage and the development of potential.

The rationalisation and development of the quarry portfolio, selective investments in new production techniques and more focussed commercial strategy, will combine to drive growth and further strengthen Burlington's position, which is built on the quality, respect and a long and proud heritage.

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



.....  
**Allen Gibb**  
Director

Date: 13/12/2023

## **BURLINGTON SLATE LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023**

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

#### **Principal activities**

The principal activity of the company and the group continued to be that of the manufacture and sale of natural British stone products.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £162,182 (2022 - £413,200).

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who served during the year were:

Lord Cavendish  
Lady Cavendish  
Allen Gibb  
The Hon Miss Lucy Cavendish  
David Sarti  
Lucy Armstrong  
Stuart Sims  
Richard Page

#### **Financial instruments**

##### **Financial risk**

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

In respect of the bank balance, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise interest-free loans from the group companies and connected entities and from financial institutions with variable interest rates. The business manages the liquidity risk by ensuring that there are sufficient funds to meet the repayments.

##### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

**BURLINGTON SLATE LIMITED**

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

**Employee involvement**

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

**Disclosure of information to auditors**

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

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

**Auditors**

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



.....  
**Allen Gibb**  
Director

Date: 13/12/2023

## **BURLINGTON SLATE LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2023**

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

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

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

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

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



## **BURLINGTON SLATE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURLINGTON SLATE LIMITED**

#### **Opinion**

We have audited the financial statements of Burlington Slate Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2023, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 March 2023 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

#### **Other Information**

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

We have nothing to report in this regard.

## **BURLINGTON SLATE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURLINGTON SLATE LIMITED (CONTINUED)**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of directors**

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

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

## **BURLINGTON SLATE LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURLINGTON SLATE 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 Group financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- reviewed the application of accounting policies, particularly in relation to those judgemental or uncertain areas

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and.

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

**BURLINGTON SLATE LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BURLINGTON SLATE 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 Auditors' 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.

*Armstrong Watson Audit Limited*

Joanna Gray (Senior Statutory Auditor)

for and on behalf of

**Armstrong Watson Audit Limited**

Chartered Accountants and Statutory Auditors

Carlisle

Date: *18-12-2023*

**BURLINGTON SLATE LIMITED**

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

	Note	2023 £	2022 £
Turnover	4	7,232,806	5,555,872
Cost of sales		(5,053,232)	(4,060,313)
<b>Gross profit</b>		<b>2,179,574</b>	<b>1,495,559</b>
Distribution costs		(982,255)	(878,084)
Administrative expenses		(1,147,253)	(658,380)
Other operating income	5	287,920	511,108
<b>Operating profit</b>	6	<b>337,986</b>	<b>470,203</b>
Interest receivable and similar income	10	2,425	35
Interest payable and similar expenses	11	(145,134)	(20,160)
Fair value gains and losses on investment properties		-	100,000
<b>Profit before taxation</b>		<b>195,277</b>	<b>550,078</b>
Tax on profit	12	(33,095)	(136,878)
<b>Profit for the financial year</b>		<b>162,182</b>	<b>413,200</b>
Tax relating to other comprehensive income		-	(27,516)
<b>Total comprehensive income for the year</b>		<b>162,182</b>	<b>385,684</b>

Total comprehensive income for the financial year is all attributable to the owners of the parent company.

The notes on pages 20 to 44 form part of these financial statements.

**BURLINGTON SLATE LIMITED**  
**REGISTERED NUMBER: 01781765**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	13	90,941	93,653
Tangible assets	14	7,527,727	4,241,678
Investment property	16	1,100,000	1,100,000
		<u>8,718,668</u>	<u>5,435,331</u>
<b>Current assets</b>			
Stocks	17	2,384,921	2,881,754
Debtors: amounts falling due within one year	18	1,205,357	1,049,383
Cash at bank and in hand	19	85,755	327,196
		<u>3,676,033</u>	<u>4,258,333</u>
Creditors: amounts falling due within one year	20	(3,048,084)	(1,992,491)
<b>Net current assets</b>		<u>627,949</u>	<u>2,265,842</u>
<b>Total assets less current liabilities</b>		<u>9,346,617</u>	<u>7,701,173</u>
Creditors: amounts falling due after more than one year	21	(2,918,750)	(1,530,257)
<b>Provisions for liabilities</b>			
Deferred taxation	24	(279,330)	(236,619)
Provisions	25	(238,975)	(186,917)
		<u>(518,305)</u>	<u>(423,536)</u>
<b>Net assets</b>		<u><u>5,909,562</u></u>	<u><u>5,747,380</u></u>
<b>Capital and reserves</b>			
Called up share capital	27	26,002	26,002
Merger Reserve	28	1,245,920	1,245,920
Revaluation reserve	28	343,956	343,956
Profit and loss account	28	4,292,473	4,130,291
<b>Equity attributable to owners of the parent Company</b>		<u>5,908,351</u>	<u>5,746,169</u>
Non-controlling interests		1,211	1,211
		<u><u>5,909,562</u></u>	<u><u>5,747,380</u></u>

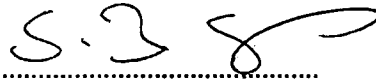
**BURLINGTON SLATE LIMITED**  
**REGISTERED NUMBER: 01781765**

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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



.....  
**Allen Gibb**  
Director



.....  
**Stuart Sims**  
Director

Date: 13/12/2023

The notes on pages 20 to 44 form part of these financial statements.

**BURLINGTON SLATE LIMITED**  
**REGISTERED NUMBER: 01781765**

**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2023**


	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	13	90,941	93,653
Tangible assets	14	7,527,724	4,241,675
Investments	15	17,392	17,392
Investment property	16	1,100,000	1,100,000
		<u>8,736,057</u>	<u>5,452,720</u>
<b>Current assets</b>			
Stocks	17	2,384,921	2,881,754
Debtors: amounts falling due within one year	18	1,204,277	1,048,258
Cash at bank and in hand	19	68,799	324,297
		<u>3,657,997</u>	<u>4,254,309</u>
Creditors: amounts falling due within one year	20	(3,285,286)	(2,211,742)
<b>Net current assets</b>		<u>372,711</u>	<u>2,042,567</u>
<b>Total assets less current liabilities</b>		<u>9,108,768</u>	<u>7,495,287</u>
Creditors: amounts falling due after more than one year	21	(2,918,750)	(1,530,257)
<b>Provisions for liabilities</b>			
Deferred taxation	24	(279,330)	(236,933)
Other provisions	25	(238,975)	(186,917)
		<u>(518,305)</u>	<u>(423,850)</u>
<b>Net assets</b>		<u>5,671,713</u>	<u>5,541,180</u>
<b>Capital and reserves</b>			
Called up share capital	27	26,002	26,002
Revaluation reserve	28	343,956	343,956
Profit and loss account	28	5,301,755	5,171,222
		<u>5,671,713</u>	<u>5,541,180</u>

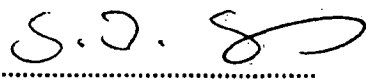


**BURLINGTON SLATE LIMITED**  
**REGISTERED NUMBER: 01781765**

**COMPANY BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2023**

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

  
.....  
**Allen Gibb**  
Director

  
.....  
**Stuart Sims**  
Director

Date: 13/12/2023

The notes on pages 20 to 44 form part of these financial statements.

**BURLINGTON SLATE LIMITED**

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

	Called up share capital £	Merger Reserve £	Revaluation reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Non- controlling interests £	Total equity £
<b>At 1 April 2021</b>	<b>26,002</b>	<b>1,245,920</b>	<b>371,472</b>	<b>3,717,091</b>	<b>5,360,485</b>	<b>1,211</b>	<b>5,361,696</b>
<b>Comprehensive income for the year</b>							
Profit for the year	-	-	-	413,200	413,200	-	413,200
Tax relating to other comprehensive income	-	-	(27,516)	-	(27,516)	-	(27,516)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(27,516)</b>	<b>413,200</b>	<b>385,684</b>	<b>-</b>	<b>385,684</b>
<b>At 1 April 2022</b>	<b>26,002</b>	<b>1,245,920</b>	<b>343,956</b>	<b>4,130,291</b>	<b>5,746,169</b>	<b>1,211</b>	<b>5,747,380</b>
Profit for the year	-	-	-	162,182	162,182	-	162,182
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162,182</b>	<b>162,182</b>	<b>-</b>	<b>162,182</b>
<b>At 31 March 2023</b>	<b>26,002</b>	<b>1,245,920</b>	<b>343,956</b>	<b>4,292,473</b>	<b>5,908,351</b>	<b>1,211</b>	<b>5,909,562</b>

The notes on pages 20 to 44 form part of these financial statements.

**BURLINGTON SLATE LIMITED**

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

	<b>Called up share capital</b>	<b>Revaluation reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 April 2021</b>	<b>26,002</b>	<b>371,472</b>	<b>4,758,822</b>	<b>5,156,296</b>
Profit for the year	-	-	412,400	412,400
Tax relating to other comprehensive income	-	(27,516)	-	(27,516)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(27,516)</b>	<b>412,400</b>	<b>384,884</b>
<b>At 1 April 2022</b>	<b>26,002</b>	<b>343,956</b>	<b>5,171,222</b>	<b>5,541,180</b>
Profit for the year	-	-	130,533	130,533
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>130,533</b>	<b>130,533</b>
<b>At 31 March 2023</b>	<b>26,002</b>	<b>343,956</b>	<b>5,301,755</b>	<b>5,671,713</b>

The notes on pages 20 to 44 form part of these financial statements.

**BURLINGTON SLATE LIMITED**

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

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	162,182	413,200
<b>Adjustments for:</b>		
Amortisation of intangible assets	2,712	2,712
Depreciation of tangible assets	268,225	284,762
Loss/(profit) on disposal of tangible assets	1,563	(11,052)
Government grant amortisation	(11,790)	-
Interest paid	144,882	-
Investment income	(2,425)	(35)
Taxation charge/(credit)	(33,095)	136,878
Decrease in stocks	496,833	387,091
(Increase) in debtors	(51,578)	(86,863)
(Decrease) in creditors	(159,231)	(554,434)
Increase in amounts owed to associates	791,798	-
Increase/(decrease) in provisions	52,058	(7,916)
Net fair value losses/(gains) recognised in P&L	-	(100,000)
Corporation tax (paid)/received	(13,329)	-
<b>Net cash generated from operating activities</b>	<b>1,648,805</b>	<b>464,343</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(3,557,938)	(1,090,315)
Sale of tangible fixed assets	2,100	14,167
Government grants released	11,790	-
Interest received	2,425	35
HP interest paid	(252)	-
<b>Net cash from Investing activities</b>	<b>(3,541,875)</b>	<b>(1,076,113)</b>
<b>Cash flows from financing activities</b>		
Repayment of loans	(75,000)	(56,250)
(Repayment of)/new finance leases	42,417	(34,050)
New loans from group companies	1,749,022	509,035
Interest paid	(144,882)	-
<b>Net cash used in financing activities</b>	<b>1,571,557</b>	<b>418,735</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(321,513)</b>	<b>(193,035)</b>
Cash and cash equivalents at beginning of year	178,281	371,316
<b>Cash and cash equivalents at the end of year</b>	<b>(143,232)</b>	<b>178,281</b>

**Cash and cash equivalents at the end of year comprise:**

**BURLINGTON SLATE LIMITED**

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

	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
Cash at bank and in hand	<b>85,755</b>	<b>327,196</b>
Bank overdrafts	<b>(228,987)</b>	<b>(148,915)</b>
	<b><u>(143,232)</u></b>	<b><u>178,281</u></b>

The notes on pages 20 to 44 form part of these financial statements.

**BURLINGTON SLATE LIMITED**

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

	At 1 April 2022 £	Cash flows £	New finance leases £	At 31 March 2023 £
Cash at bank and in hand	327,196	(241,441)	-	85,755
Bank overdrafts	(148,915)	(80,072)	-	(228,987)
Finance leases	(8,411)	9,420	(51,837)	(50,828)
Other borrowings	(1,419,728)	(1,674,022)	-	(3,093,750)
	-	-	-	-
	<u>(1,249,858)</u>	<u>(1,986,115)</u>	<u>(51,837)</u>	<u>(3,287,810)</u>

The notes on pages 20 to 44 form part of these financial statements.

## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

#### **1. General information**

Burlington Slate Limited ("the company") is a limited company incorporated in England and Wales . The registered office is Cavendish House, Kirkby-In-Furness, Cumbria, LA17 7UN.

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 £.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

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

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

The company 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 for parent company information presented within the consolidated financial statements:

- 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' : Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income ;
- Section 33 'Related Party Disclosures' : Compensation for key management personnel .

The following principal accounting policies have been applied:

## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.2 Basis of consolidation**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company Burlington Slate Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### **2.3 Going concern**

During the financial year, no COVID-19 restrictions were imposed on any of our operations. However, we remain vigilant, and are able to react quickly and decisively putting our customers and staff first should the need arise to put restriction in place in the future.

In making our assessment, the directors have considered current and future cash flow forecasts, as well as other relevant information. These forecasts take into account the following key factors:

- Historical performance
- Available funding
- Cost management
- Customer and supplier relationships
- Economic climate, industry outlook and volatility

While the directors are confident in the Company's ability to continue as a going concern, they recognise that there are inherent uncertainties in the business environment, including economic conditions, market competition, and unforeseen events such as the COVID-19 pandemic. The directors are committed to closely monitoring these factors and taking necessary actions to ensure the Company's continued viability.

On the basis of the company's forecasts and having confirmed the continuing financial support of the group and associated entities, the Directors have formed the judgement that, at the time of approving the financial statements, there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.



## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.4 Turnover**

Turnover represents the invoiced amount of slate sold (stated net of value added tax) during the year. Revenue is recognised when the slate has been despatched to the customer. The turnover and pre-tax profit is attributable to the principal activity.

##### **2.5 Operating leases: the Group as lessee**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **2.6 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

##### **2.7 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **2.8 Retirement benefits**

The Group operates a defined contribution pension scheme for the benefit of its directors and employees. The assets of the scheme are administered by trustees in funds independent from those of the group.

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

The Group has provided for its obligations to pay pensions to former employees not covered by the defined contribution schemes.

## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.9 Current and deferred taxation**

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

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

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

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

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

##### **2.10 Foreign exchange**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account, except exchange differences arising in the consolidated accounts on the retranslation of the group's net investment in the foreign subsidiary, which are shown as a movement on the Statement of Comprehensive Income.

##### **2.11 Intangible assets**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

The estimated useful lives range as follows:

Leases	-	Over remaining life of the lease
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## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.12 Tangible fixed assets**

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives on the following bases:

Depreciation is provided on the following basis:

Land and buildings Freehold	- 2% straight line except where the directors believe that the residual value is not less than the cost
Land and buildings Leasehold	- 2 - 20% straight line
Plant and vehicles	- 5 - 50% straight line
Fixtures, fittings and equipment	- 20 - 30% straight line
Motor vehicles	- 20 - 25% straight line

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

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

##### **2.13 Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

##### **2.14 Fixed asset investments**

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### **2.15 Impairment of fixed assets**

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.16 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

##### **2.17 Debtors**

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

##### **2.18 Cash and cash equivalents**

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

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

##### **2.19 Creditors**

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

##### **2.20 Provisions**

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

##### **2.21 Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

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

## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.21 Financial Instruments (continued)**

###### **Basic financial assets**

Basic financial assets, which include short term cash balances and trade debtors are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

###### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

###### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

###### **Classification of financial liabilities**

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

###### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

###### **Derecognition of financial liabilities**

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

## **BURLINGTON SLATE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

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

##### **2.22 Equity Instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### **3. Judgments in applying accounting policies and key sources of estimation uncertainty**

In the application of the group'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.

##### **Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

##### **Provisions**

Provision is made for bad and doubtful debts and obsolete and slow-moving stock. These provisions require management's best estimate of the recoverability of trade debtors and the expected future use of stock.

##### **Restoration provision**

A provision is also made for site restoration costs once management have determined that a quarry is no longer part of the future plans of the business.

##### **Clog stock**

Management apply their judgement in determining the amount of clog stock to be recognised in the financial statements based on the amounts that are expected to be utilised by the company in the short to medium term.

##### **Leasehold improvements and intangible assets**

Management consider the future prospects of the various quarries when reviewing the carrying values of leasehold improvements and intangible assets to ensure there is no impairment.

**BURLINGTON SLATE LIMITED**

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

**4. Turnover**

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

	2023 £	2022 £
Sales of goods	7,232,806	5,555,872
	<u>7,232,806</u>	<u>5,555,872</u>

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	5,555,586	4,883,590
Europe	37,537	9,615
Rest of the world	1,639,683	662,667
	<u>7,232,806</u>	<u>5,555,872</u>

**5. Other operating income**

	2023 £	2022 £
Other operating income	-	191,653
Government grants receivable	11,790	11,790
Sundry income	13,504	50,188
Fees receivable	250,000	250,000
Foreign exchange difference - gain	12,626	7,477
	<u>287,920</u>	<u>511,108</u>

# **BURLINGTON SLATE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

### **6. Operating profit**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Exchange losses/(gains)	<b>11,245</b>	<b>(17,093)</b>
Government grants	<b>(11,790)</b>	<b>(11,790)</b>
Depreciation of owned tangible fixed assets	<b>383,056</b>	<b>274,063</b>
Depreciation of tangible fixed assets held under finance leases	<b>7,753</b>	<b>10,699</b>
Loss/(Profit) on disposal of tangible fixed assets	<b>1,563</b>	<b>(11,052)</b>
Amortisation of intangible assets	<b>2,712</b>	<b>2,712</b>
Operating lease charges	<b>39,487</b>	<b>153,311</b>

Exchange differences recognised in profit or loss during the year, amounted to £12,626 (2022 £7,477).

### **7. Auditors' remuneration**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Audit of the financial statements of the group and company	<b>15,550</b>	<b>17,450</b>



**BURLINGTON SLATE LIMITED**

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

**8. Employees**

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

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Wages and salaries	2,425,165	1,994,425	2,345,878	1,931,426
Social security costs	244,692	190,255	244,692	190,255
Pension costs	114,261	101,663	110,244	98,198
	<u>2,784,118</u>	<u>2,286,343</u>	<u>2,700,814</u>	<u>2,219,879</u>

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

	<b>Group 2023 No.</b>	<b>Group 2022 No.</b>	<b>Company 2023 No.</b>	<b>Company 2022 No.</b>
Production	59	57	57	57
Office and management	10	8	8	8
Sales	6	6	6	6
	<u>75</u>	<u>71</u>	<u>71</u>	<u>71</u>

**9. Directors' remuneration**

	<b>2023 £</b>	<b>2022 £</b>
Remuneration for qualifying services	208,560	208,533
Company pension contributions to defined contribution schemes	24,412	23,306
	<u>232,972</u>	<u>231,839</u>

During the year retirement benefits were accruing to 2 directors (2022 - 2) in respect of defined contribution pension schemes.

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2023 £</b>	<b>2022 £</b>
Remuneration for qualifying services	110,250	105,000
Company pension contributions to defined contribution schemes	18,191	17,325

**BURLINGTON SLATE LIMITED**

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

**10. Interest receivable**

	2023 £	2022 £
Interest on bank deposits	2,425	35
	<u>2,425</u>	<u>35</u>

**11. Interest payable and similar expenses**

	2023 £	2022 £
Interest on bank overdrafts and loans	2,214	751
Other interest on financial liabilities	142,668	18,824
Interest on finance leases and hire purchase contracts	252	585
	<u>145,134</u>	<u>20,160</u>

**12. Taxation**

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	(9,105)	13,329
Adjustments in respect of previous periods	(197)	-
<b>Total current tax</b>	<u>(9,302)</u>	<u>13,329</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	42,397	123,549
<b>Total deferred tax</b>	<u>42,397</u>	<u>123,549</u>
<b>Tax on profit</b>	<u>33,095</u>	<u>136,878</u>

# BURLINGTON SLATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 12. Taxation (continued)

#### Factors affecting tax charge for the year

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

	2023 £	2022 £
Profit on ordinary activities before tax	<b>195,276</b>	<b>550,076</b>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	<b>59,393</b>	<b>104,515</b>
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	<b>8,897</b>	<b>7,985</b>
Change in unrecognised deferred tax assets	<b>(83,791)</b>	<b>(33,998)</b>
Effect of change in corporation tax rate	-	<b>55,948</b>
Depreciation on assets not qualifying for tax allowances	<b>(15,060)</b>	<b>313</b>
Other non-reversing timing differences	<b>(12,920)</b>	<b>(395)</b>
Other tax adjustments	<b>57,576</b>	<b>2,510</b>
Capital gains	<b>19,000</b>	-
<b>Total tax charge for the year</b>	<b>33,095</b>	<b>136,878</b>

#### Factors that may affect future tax charges

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	2022 £
Deferred tax arising on:		
Revaluation of property	-	<b>27,516</b>
	-	<b>27,516</b>

**BURLINGTON SLATE LIMITED**

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

**13. Intangible assets**

**Group and company**

	<b>Leases £</b>
<b>Cost</b>	
At 1 April 2022	846,171
At 31 March 2023	<u>846,171</u>
<b>Amortisation</b>	
At 1 April 2022	752,518
Charge for the year on owned assets	2,712
At 31 March 2023	<u>755,230</u>
<b>Net book value</b>	
At 31 March 2023	<u><u>90,941</u></u>
At 31 March 2022	<u><u>93,653</u></u>

The Company has paid The Holker Estate Trust, the lessor, a capital amount to permit an amendment to the lease, to allow the processing at Burlington Slate Quarries of minerals quarried elsewhere, and to allow the construction of office premises at the Kirkby Quarry. This amount is being amortised over the remaining period of the lease.

During 2005 the Company acquired the lease for Baycliffe Quarry. The lease is being amortised over the remaining period of the lease, which expires in 2023.

In August 2012 the Company acquired the leases for the Petts and Brathay Quarries. The leases are being amortised over the remaining period of the leases which expired in 2020.

**BURLINGTON SLATE LIMITED**

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

**14. Tangible fixed assets**

**Group**

	Land and buildings Freehold £	Land and buildings leasehold £	Assets under construction £	Plant and vehicles £	Fixtures and fittings & equipment £	Total £
<b>Cost or valuation</b>						
At 1 April 2022	586,020	4,385,945	1,251,049	6,533,597	138,067	12,894,678
Additions	-	17,918	3,015,822	524,198	-	3,557,938
Disposals	-	-	-	(34,000)	-	(34,000)
At 31 March 2023	586,020	4,403,863	4,266,871	7,023,795	138,067	16,418,616
<b>Depreciation</b>						
At 1 April 2022	26,599	2,271,128	-	6,220,083	135,190	8,653,000
Charge for the year on owned assets	1,649	166,852	-	91,084	1,188	260,773
Charge for the year on financed assets	-	-	-	7,453	-	7,453
Disposals	-	-	-	(30,337)	-	(30,337)
At 31 March 2023	28,248	2,437,980	-	6,288,283	136,378	8,890,889
<b>Net book value</b>						
At 31 March 2023	557,772	1,965,883	4,266,871	735,512	1,689	7,527,727
At 31 March 2022	559,421	2,114,817	1,251,049	313,514	2,877	4,241,678

**BURLINGTON SLATE LIMITED**

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

**14. Tangible fixed assets (continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Plant and vehicles	<b>50,828</b>	<b>7,453</b>
	<u>50,828</u>	<u>7,453</u>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation charge for the year in respect of leased assets	<b>7,453</b>	<b>10,699</b>
	<u>7,453</u>	<u>10,699</u>
	<u>7,453</u>	<u>10,699</u>

**BURLINGTON SLATE LIMITED**

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

**14. Tangible fixed assets (continued)**

**Company**

	<b>Land and buildings Freehold £</b>	<b>Land and buildings leasehold £</b>	<b>Assets under construction £</b>	<b>Plant and machinery £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>						
At 1 April 2022	586,020	4,385,945	1,251,049	6,520,554	131,808	12,875,376
Additions	-	17,918	3,015,822	524,198	-	3,557,938
Disposals	-	-	-	(34,000)	-	(34,000)
At 31 March 2023	<u>586,020</u>	<u>4,403,863</u>	<u>4,266,871</u>	<u>7,010,752</u>	<u>131,808</u>	<u>16,399,314</u>
<b>Depreciation</b>						
At 1 April 2022	26,599	2,271,129	-	6,207,042	128,931	8,633,701
Charge for the year on owned assets	1,649	166,852	-	91,084	1,188	260,773
Charge for the year on financed assets	-	-	-	7,453	-	7,453
Disposals	-	-	-	(30,337)	-	(30,337)
At 31 March 2023	<u>28,248</u>	<u>2,437,981</u>	<u>-</u>	<u>6,275,242</u>	<u>130,119</u>	<u>8,871,590</u>
<b>Net book value</b>						
At 31 March 2023	<u>557,772</u>	<u>1,965,882</u>	<u>4,266,871</u>	<u>735,510</u>	<u>1,689</u>	<u>7,527,724</u>
At 31 March 2022	<u>559,421</u>	<u>2,114,816</u>	<u>1,251,049</u>	<u>313,512</u>	<u>2,877</u>	<u>4,241,675</u>

**BURLINGTON SLATE LIMITED**

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

**14. Tangible fixed assets (continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Plant and vehicles	-	7,453
	<u>-</u>	<u>7,453</u>
	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Depreciation charge for the year in respect of leased assets	7,453	10,699
	<u>7,453</u>	<u>10,699</u>

**15. Fixed asset investments**

**Company**

	<b>Investments in subsidiary companies £</b>
<b>Cost or valuation</b>	
At 1 April 2022	17,392
At 31 March 2023	<u>17,392</u>
<b>Net book value</b>	
At 31 March 2023	<u>17,392</u>
At 31 March 2022	<u>17,392</u>



# BURLINGTON SLATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 15. Fixed asset investments (continued)

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Burlington Slate Production Limited	England and Wales	Ordinary	100%
Burlington Stone Inc	USA	Ordinary	100%
Lakeland Green Slate and Stone Company Limited	England and Wales	Ordinary	100%
Mandall's Slate Company Limited	England and Wales	Ordinary	94.18%
The Broughton Moor Green Slate Quarries Limited	England and Wales	Ordinary	100%

### 16. Investment property

#### Group and Company

	Investment property £
<b>Valuation</b>	
At 1 April 2022	1,100,000
<b>At 31 March 2023</b>	<b>1,100,000</b>

The fair value of the investment property as 31 March 2023 of £1,100,000 (2022: £1,100,000) has been arrived at on the basis of a valuation carried out by the directors having received professional advice. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

### 17. Stocks

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Raw materials and consumables	1,794,189	2,333,254	1,794,189	2,333,254
Finished goods and work in progress	590,732	548,500	590,732	548,500
	<b>2,384,921</b>	<b>2,881,754</b>	<b>2,384,921</b>	<b>2,881,754</b>

**BURLINGTON SLATE LIMITED**

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

**18. Debtors**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Trade debtors	1,040,442	718,987	1,040,442	718,987
Amounts due from related parties	-	209,554	-	209,554
Other debtors	29,363	-	29,363	-
Prepayments and accrued income	135,552	120,842	134,472	119,717
	<u>1,205,357</u>	<u>1,049,383</u>	<u>1,204,277</u>	<u>1,048,258</u>

**19. Cash and cash equivalents**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Cash at bank and in hand	85,755	327,196	68,799	324,297
Less: bank overdrafts	(228,987)	(148,915)	(228,987)	(148,915)
	<u>(143,232)</u>	<u>178,281</u>	<u>(160,188)</u>	<u>175,382</u>

**20. Creditors: Amounts falling due within one year**

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Bank loans and overdrafts	303,987	223,915	303,987	223,915
Other loans	100,000	-	100,000	-
Trade creditors	907,792	776,845	907,792	776,845
Amounts owed to group undertakings	-	-	256,024	250,815
Amounts due to related parties	791,798	423,913	791,798	423,913
Corporation tax	-	13,433	-	4,411
Other taxation and social security	70,266	53,916	68,631	52,631
Obligations under finance lease and hire purchase contracts	50,828	8,411	50,828	8,411
Other creditors	42,413	11,609	35,823	-
Accruals and deferred income	781,000	480,449	770,403	470,801
	<u>3,048,084</u>	<u>1,992,491</u>	<u>3,285,286</u>	<u>2,211,742</u>

**BURLINGTON SLATE LIMITED**

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

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

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Bank loans	93,750	168,750	93,750	168,750
Other loans	2,825,000	1,175,978	2,825,000	1,175,978
Government grants	-	185,529	-	185,529
	<u>2,918,750</u>	<u>1,530,257</u>	<u>2,918,750</u>	<u>1,530,257</u>

**22. Loans**

Analysis of the maturity of loans is given below:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
<b>Amounts falling due within one year</b>				
Bank loans	75,000	75,000	75,000	75,000
Other loans	100,000	-	100,000	-
	<u>175,000</u>	<u>75,000</u>	<u>175,000</u>	<u>75,000</u>
<b>Amounts falling due 1-2 years</b>				
Bank loans	75,000	168,750	75,000	168,750
Other loans	100,000	-	100,000	-
	<u>175,000</u>	<u>168,750</u>	<u>175,000</u>	<u>168,750</u>
<b>Amounts falling due 2-5 years</b>				
Bank loans	18,750	-	18,750	-
<b>Amounts falling due after more than 5 years</b>				
Other loans	2,725,000	1,175,978	2,725,000	1,175,978
	<u>2,725,000</u>	<u>1,175,978</u>	<u>2,725,000</u>	<u>1,175,978</u>
	<u>3,093,750</u>	<u>1,419,728</u>	<u>3,093,750</u>	<u>1,419,728</u>

Bank borrowings are secured by a fixed and floating charge over the assets of the company dated 5 February 1996 in the name of Barclays Bank Plc as well as charges over the company's various quarries. The net obligations under finance lease and hire purchase contracts are secured upon the assets they relate to.

Both bank loans and other loans accrued interest at 6.60% throughout the year.

# BURLINGTON SLATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 23. Finance lease obligation

Future minimum lease payments due under finance leases:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Within one year	50,828	8,411	50,828	8,411
	<u>50,828</u>	<u>8,411</u>	<u>50,828</u>	<u>8,411</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

### 24. Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

#### Group

	2023 £			
At beginning of year				236,619
Charged to profit or loss				42,711
At end of year				<u>279,330</u>

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Accelerated capital allowances	374,519	(119,687)	374,519	(119,687)
Tax losses carried forward	(100,088)	(24,909)	(100,088)	(24,909)
Revaluons	25,000	389,652	25,000	389,652
Other timing differences	(20,101)	(8,437)	(20,101)	(8,123)
	<u>279,330</u>	<u>236,619</u>	<u>279,330</u>	<u>236,933</u>

The company has estimated losses of £243,520 (2022: £131,000) available for carry forward against future trading profits.

**BURLINGTON SLATE LIMITED**

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

**25. Provisions**

**Group and Company**

	Pension obligations £	Site restoration costs £	Total £
At 1 April 2022	42,751	144,166	186,917
Charged to profit or loss	-	166,000	166,000
Utilised in year	(2,698)	(111,244)	(113,942)
<b>At 31 March 2023</b>	<b>40,053</b>	<b>198,922</b>	<b>238,975</b>

**26. Government grants**

	Group 2022 £	Company 2022 £
Non-current liabilities	185,529	18,529
	<u>185,529</u>	<u>18,529</u>

**27. Share capital**

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
26,002 (2022 - 26,002) Ordinary shares of £1.00 each	26,002	26,002

There are no restrictions on the right to distribution of dividends or repayment of capital attached to the Ordinary shares.

**28. Reserves**

**Profit and loss account**

Profit and loss reserves represent accumulated profit or loss for the year and prior periods, less dividends paid and foreign exchange translation differences.

# BURLINGTON SLATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 29. Capital commitments

At 31 March 2023 the Group and Company had capital commitments as follows:

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Acquisition of tangible fixed assets	<b>528,291</b>	2,902,172	<b>528,291</b>	2,902,172
	<b>528,291</b>	2,902,172	<b>528,291</b>	2,902,172

### 30. Retirement benefit schemes

	<b>2023 £</b>	<b>2022 £</b>
<b>Defined contribution schemes</b>		
Charge to profit and loss in respect of defined contribution schemes	<b>114,260</b>	101,663
	<b>114,260</b>	101,663

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 31. Commitments under operating leases

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

	<b>Group 2023 £</b>	<b>Group 2022 £</b>	<b>Company 2023 £</b>	<b>Company 2022 £</b>
Not later than 1 year	<b>46,038</b>	51,381	<b>46,038</b>	51,381
Between two and five year	<b>48,533</b>	82,525	<b>48,533</b>	82,525
	<b>94,571</b>	133,906	<b>94,571</b>	133,906

The average length of Land and Building operating leases is 19 years. The average length of other operating leases is 3 years.

### 32. Financial commitments, guarantees and contingent liabilities

Under the lease of the Baycliffe Quarry there is a restoration bond of £50,000, which the company has agreed with the lessor which will come into affect when the lease expires.

There is a further restoration bond of £150,000 under the lease of Roose & Walney Quarry.

# BURLINGTON SLATE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

### 33. Related party transactions

#### Transactions with related parties

During the year the group entered into the following transactions with related parties:

	2023 £	2022 £
<b>Other related parties</b>		
Sales	360,533	444,470
Purchases	236,851	570,018
Royalties paid	74,640	66,991
Management charges	150,000	80,000

The group sells and purchases goods and services to/from various entities under common control. It leases various quarries from the Holker Estates Trust and pays royalties to the trust in respect of stone extracted from those quarries.

The following amounts were outstanding at the reporting end date:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Amounts due to related parties</b>				
Other related parties	3,523,464	1,599,892	3,523,464	1,599,892
Entities over which the company has control, joint control or significant influence	-	250,815	249,598	-

The following amounts were outstanding at the reporting end date:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
<b>Amounts due from related parties</b>				
Other related parties	19,785	134,018	19,785	134,018
	19,785	134,018	19,785	134,018

The group has loans and trading balances due to/from entities under common control. The loans are interest free and repayable on demand.

### 34. Controlling party

The company is under the ultimate control of the Cavendish 1956 Settlement.