

1948 GROUP LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1948 GROUP LIMITED

COMPANY INFORMATION

Directors	Mr L J Ray Mrs L Ray Mr S Ray Mr W Ray
Registered number	03713113
Registered office	Henwood House Henwood Ashford Kent TN24 8DH
Trading Address	Charles Anthony House Manston Road Margate Kent CT9 4JW
Independent auditors	Magee Gammon Corporate Limited Chartered Accountants & Statutory Auditors Henwood House Henwood Ashford Kent TN24 8DH
Bankers	Handelsbanken plc 4th Floor Riverside House 40-46 High Street Maidstone Kent ME14 1JH

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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Introduction

The directors present their strategic report for the group for the year ended 31st December 2022.

Business review

Group results for the year, after elimination of intra-group transactions reflects a pre-tax profit of £647,188 for the year, achieved on consolidated turnover of £39,228,842. This compares with £292,439 and £33,354,103 respectively reflected in the previous year.

The results of the company show a pre-tax profit of £674,870 for the year compared to last year's profit of £672,954. Rental income has increased slightly upon the level achieved in the comparative year, being £1,079,623 compared with £1,077,890 for 2021. Turnover mainly comprises rental income received from D.D.S (Demolition) Limited, Thanet Waste Services Limited and other subsidiaries of the group.

The group has had a successful year of trading. Development of premises owned and further investment in fixed assets have been made during the year, which will hopefully help facilitate further growth of the trading subsidiaries.

Principal risks and uncertainties

The management of the business and the execution of the group's strategy are subject to a number of risks.

Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the group. The key business risks affecting the group are set out as follows:

Competition

Although the company is not directly exposed to competition, the group operates in a competitive market particularly with regard to pricing and service. This results not only in downward pressure on margins but also the risk of not attracting new contracts. In order to mitigate the risk each company's management regularly review results of the company throughout the year and try to address any factors identified that have arisen which are considered inefficient or could impact upon results further if changes are not made.

Employee skills and retention

The group's performance depends largely on its board directors and operational directors plus operations staff and other key employees. The resignation of these individuals and the inability to recruit people with the right experience and skills from the local community could adversely impact upon the group's results. The board continues to monitor salaries of key personnel to ensure salaries paid remain current and at expected market levels and staff are appropriately rewarded, thus helping to motivate and retain key individuals. The company is not affected by this risk directly, since the only staff employed by the company are directors. The risk could indirectly impact upon the company however, since the main trade of 1948 Group Limited is with the subsidiary undertakings, both companies of which, rely on key employees.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Financial key performance indicators

The company has made progress in the year under review on the group's overriding objective and the key elements of strategy for growth. The board monitors progress on the overall strategy by reference to the following KPIs:

Growth in sales

Year on year sales growth expressed as a percentage. Group sales have increased upon the levels achieved in the previous financial year.

Growth in sales for 2022 are 17.6% compared with 23.0% for 2021.

Gross profit

Gross profit is the ratio of profit on sale of products or services, expressed as a percentage.

Gross profit percentage for the group for 2022 is 11.1% compared with 10.8% for 2021.

Other key performance indicators

Given the straight forward nature of the business activities, the directors are of the opinion that disclosure of any other KPI's is not necessary for an understanding of the results of the company.

Financial risk management

The group's funding, liquidity and exposure to interest rate risks are managed by the directors of the company. The management of this is conducted within a framework of policies and guidelines authorised by the board of the company.

The group's financial instruments comprise borrowings, cash and liquid resources, and various items such as trade debtors and trade creditors that arise directly from its operating activities. The main purpose of the financial instruments is to raise finance for the company's operations and also to support activities of the other group companies.

This is relevant with regard to the subsidiary undertaking Thanet Waste Services Limited as the site used by the subsidiary was purchased by 1948 Group Limited, and the development of the Waste Transfer Station and related facilities are funded by the parent undertaking.

This is also relevant with regard to the other trading subsidiary companies D.D.S (Demolition) Limited and DDS Environmental Limited since they also relocated and expenditure on the site owned by 1948 Group Limited is being funded by the parent undertaking.

The company publishes its financial statements in pounds sterling and conducts business solely in sterling. There are some foreign currency transactions in the subsidiary undertakings but the foreign currency risk is considered minimal.

It is, and has been throughout the year under review, the company's policy that no trading in financial instruments shall be undertaken.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Financial risk management (continued)

The main risks arising from the group's financial instruments are interest rate and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised as follows:-

Liquidity and cashflow risk

As regards liquidity, the group's policy throughout the year has been to ensure continuity of funding. The borrowing undertaken during the year is for a term of up to 15 years.

Interest rate risk

The group finances its operations primarily through bank borrowings and hire purchase and finance lease agreements. The bank borrowings are at floating rates based principally on Bank of England base rates, and finance agreements at fixed rates.

The board will consider the appropriateness of financing should the operations change significantly in size or nature.

This report was approved by the board on 28 September 2023 and signed on its behalf.

Mr S Ray

Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

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.

Results and dividends

The profit for the year, after taxation, amounted to £747,034 (2021 - £403,553).

Details of dividends paid during the year are reflected in the notes to the financial statements. The directors do not recommend the payment of any further dividends for the year.

Directors

The directors who served during the year were:

Mr L J Ray
Mrs L Ray
Mr S Ray
Mr W Ray

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Future developments

The subsidiary undertaking Thanet Waste Services Limited has expanded the washplant facility with the inclusion of a concrete plant and the focus for the forthcoming year is continued increase of output from the washplant and concrete plant together with seeking new contracts for waste. The subsidiary also invested in new plant which is expected to contribute towards the continued expansion of trade and providing reliable services.

The other main trading subsidiary, D.D.S (Demolition) Limited has continued to expand its service providing building materials and aggregates and in developing contract work and groundworks to support the group and certain third parties.

Despite the uncertain economic outlook going forward, the group predicts modest growth in the forthcoming year, principally from the Thanet Waste Services Limited trading company.

The directors are satisfied with the financial position of the group and continue to look to the future with optimism.

Accordingly, the directors have prepared the group financial statements on a going concern basis.

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.

Matters covered in the strategic report

Financial risk management objectives and policies of the group are detailed in the Strategic Report.

Auditors

The auditors, Magee Gammon Corporate Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 September 2023 and signed on its behalf.

Mr W Ray

Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1948 GROUP LIMITED

Opinion

We have audited the financial statements of 1948 Group Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the 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 December 2022 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1948 GROUP LIMITED (CONTINUED)

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.

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 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1948 GROUP 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:

Capability of the audit in detecting irregularities including fraud

Based on our understanding of the company, we have considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management incentives and opportunities for fraudulent manipulation of the financial statements including management override, and considered that the principal risk was related to the posting of inappropriate journal entries to improve the result before tax for the year.

We designed audit procedures to respond to the risk, 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.

Procedures performed by the audit team included:

- Discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- Evaluation of controls designed to prevent and detect irregularities; and
- Assessing journal entries as part of our planned audit approach.

There are inherent limitations in the audit procedures described above, 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 would become aware of it. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 1948 GROUP LIMITED (CONTINUED)

Mr Andrew John Childs FCA (Senior Statutory Auditor)

for and on behalf of

Magee Gammon Corporate Limited

Chartered Accountants

Statutory Auditors

Henwood House

Henwood

Ashford

Kent

TN24 8DH

28 September 2023

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022	2021
	Note		
Turnover	4	39,228,842	33,354,103
Cost of sales		<u>(34,890,701)</u>	<u>(29,746,072)</u>
Gross profit		4,338,141	3,608,031
Administrative expenses		<u>(3,239,289)</u>	<u>(2,911,138)</u>
Other operating income	5	<u>116,133</u>	<u>211,930</u>
Operating profit	6	1,214,985	908,823
Amounts written off investments		-	(2)
Interest receivable and similar income	10	9,588	11,423
Interest payable and similar expenses	11	<u>(577,385)</u>	<u>(627,805)</u>
Profit before taxation		647,188	292,439
Tax on profit	12	<u>99,846</u>	<u>111,114</u>
Profit for the financial year		£ 747,034	£ 403,553
Total comprehensive income for the year		£ 747,034	£ 403,553
Profit for the year attributable to:			
Owners of the parent Company		<u>747,034</u>	<u>403,553</u>
		£ 747,034	£ 403,553
Total comprehensive income for the year attributable to:			
Owners of the parent Company		<u>747,034</u>	<u>403,553</u>
		£ 747,034	£ 403,553

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 18 to 44 form part of these financial statements.

1948 GROUP LIMITED
REGISTERED NUMBER: 03713113

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022	2021
Fixed assets			
Intangible assets	15	396,380	505,232
Tangible assets	16	22,323,093	22,552,111
		<u>22,719,473</u>	<u>23,057,343</u>
Current assets			
Stocks	18	408,408	537,526
Debtors: amounts falling due within one year	19	7,708,003	6,611,820
Cash at bank and in hand	20	1,920,504	3,043,960
		<u>10,036,915</u>	<u>10,193,306</u>
Creditors: amounts falling due within one year	21	(11,285,428)	(10,180,944)
Net current (liabilities)/assets		<u>(1,248,513)</u>	<u>12,362</u>
Total assets less current liabilities		<u>21,470,960</u>	<u>23,069,705</u>
Creditors: amounts falling due after more than one year	22	(7,500,203)	(9,029,443)
Provisions for liabilities			
Deferred taxation	26	(572,637)	(511,176)
		<u>(572,637)</u>	<u>(511,176)</u>
Net assets		<u><u>£ 13,398,120</u></u>	<u><u>£ 13,529,086</u></u>
Capital and reserves			
Called up share capital	27	1,000	1,000
Profit and loss account		13,397,120	13,528,086
		<u><u>£ 13,398,120</u></u>	<u><u>£ 13,529,086</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2023.

Mr S Ray
Director

Mr W Ray
Director

The notes on pages 18 to 44 form part of these financial statements.

1948 GROUP LIMITED
REGISTERED NUMBER: 03713113

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022	2021
Fixed assets			
Tangible assets	16	13,274,137	13,270,188
Investments	17	125	125
		<u>13,274,262</u>	<u>13,270,313</u>
Current assets			
Stocks	18	8,830	-
Debtors: amounts falling due within one year	19	2,656,017	3,717,303
Cash at bank and in hand	20	935,836	320,756
		<u>3,600,683</u>	<u>4,038,059</u>
Creditors: amounts falling due within one year	21	(4,525,874)	(3,524,158)
Net current (liabilities)/assets		<u>(925,191)</u>	<u>513,901</u>
Total assets less current liabilities		<u>12,349,071</u>	<u>13,784,214</u>
Creditors: amounts falling due after more than one year	22	(3,553,128)	(4,785,141)
Provisions for liabilities			
Deferred taxation	26	(116,290)	(112,833)
		<u>(116,290)</u>	<u>(112,833)</u>
Net assets		<u>£ 8,679,653</u>	<u>£ 8,886,240</u>
Capital and reserves			
Called up share capital	27	1,000	1,000
Profit and loss account		8,678,653	8,885,240
		<u>£ 8,679,653</u>	<u>£ 8,886,240</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2023.

Mr S Ray
Director

Mr W Ray
Director

The notes on pages 18 to 44 form part of these financial statements.

1948 GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
At 1 January 2022	1,000	13,528,086	13,529,086	13,529,086
Comprehensive income for the year				
Profit for the year	-	747,034	747,034	747,034
Total comprehensive income for the year	-	747,034	747,034	747,034
Contributions by and distributions to owners				
Dividends: Equity capital	-	(878,000)	(878,000)	(878,000)
Total transactions with owners	-	(878,000)	(878,000)	(878,000)
At 31 December 2022	£ 1,000	£ 13,397,120	£ 13,398,120	£ 13,398,120

The notes on pages 18 to 44 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Total equity
At 1 January 2021	1,000	13,789,533	13,790,533	13,790,533
Comprehensive income for the year				
Profit for the year	-	403,553	403,553	403,553
Total comprehensive income for the year	-	403,553	403,553	403,553
Contributions by and distributions to owners				
Dividends: Equity capital	-	(665,000)	(665,000)	(665,000)
Total transactions with owners	-	(665,000)	(665,000)	(665,000)
At 31 December 2021	£ 1,000	£ 13,528,086	£ 13,529,086	£ 13,529,086

The notes on pages 18 to 44 form part of these financial statements.

1948 GROUP LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital	Profit and loss account	Total equity
At 1 January 2022	1,000	8,885,240	8,886,240
Comprehensive income for the year			
Profit for the year	-	671,413	671,413
Total comprehensive income for the year	-	671,413	671,413
Contributions by and distributions to owners			
Dividends: Equity capital	-	(878,000)	(878,000)
Total transactions with owners	-	(878,000)	(878,000)
At 31 December 2022	£ 1,000	£ 8,678,653	£ 8,679,653

The notes on pages 18 to 44 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Profit and loss account	Total equity
At 1 January 2021	1,000	8,909,569	8,910,569
Comprehensive income for the year			
Profit for the year	-	640,671	640,671
Total comprehensive income for the year	-	640,671	640,671
Contributions by and distributions to owners			
Dividends: Equity capital	-	(665,000)	(665,000)
Total transactions with owners	-	(665,000)	(665,000)
At 31 December 2021	£ 1,000	£ 8,885,240	£ 8,886,240

The notes on pages 18 to 44 form part of these financial statements.

1948 GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Cash flows from operating activities		
Profit for the financial year	747,034	403,553
Adjustments for:		
Amortisation of intangible assets	108,852	108,852
Depreciation of tangible assets	2,523,978	2,461,557
Loss on disposal of tangible assets	(452,351)	(371,527)
Government grants	(16,133)	(211,930)
Interest paid	577,385	627,805
Interest received	(9,588)	(11,423)
Taxation charge	(99,846)	(111,114)
Decrease/(increase) in stocks	129,118	(205,568)
(Increase)/decrease in debtors	(1,303,013)	1,130,180
Increase in creditors	676,317	1,537,016
Corporation tax received	368,137	76,195
Loss on disposal of investment	-	2
Net cash generated from operating activities	3,249,890	5,433,598
Cash flows from investing activities		
Purchase of tangible fixed assets	(378,235)	(2,591,082)
Sale of tangible fixed assets	1,026,435	1,120,415
Government grants received	16,133	211,930
Sale of fixed asset investments	-	(2)
Interest received	9,588	11,423
HP interest paid	(217,916)	(351,325)
Net cash from investing activities	456,005	(1,598,641)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
Cash flows from financing activities		
Repayment of loans	(701,449)	(185,537)
Repayment of/new finance leases	(2,976,980)	(2,800,986)
Dividends paid	(878,000)	(665,000)
Interest paid	(359,469)	(276,480)
	<hr/>	<hr/>
Net cash used in financing activities	(4,915,898)	(3,928,003)
	<hr/>	<hr/>
Net (decrease) in cash and cash equivalents	(1,210,003)	(93,046)
Cash and cash equivalents at beginning of year	2,990,271	3,083,317
	<hr/>	<hr/>
Cash and cash equivalents at the end of year	£ 1,780,268	£ 2,990,271
	<hr/>	<hr/>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,920,504	3,043,960
Bank overdrafts	(140,236)	(53,689)
	<hr/>	<hr/>
	£ 1,780,268	£ 2,990,271
	<hr/>	<hr/>

The notes on pages 18 to 44 form part of these financial statements.

1948 GROUP LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022

	At 1 January 2022	Cash flows	New finance leases	Other non-cash changes	At 31 December 2022
Cash at bank and in hand	3,043,960	(1,123,456)	-	-	1,920,504
Bank overdrafts	(53,689)	(86,547)	-	-	(140,236)
Debt due after 1 year	(4,785,141)	-	-	1,232,013	(3,553,128)
Debt due within 1 year	(708,798)	701,449	-	(1,232,013)	(1,239,362)
Finance leases	(6,450,343)	2,976,980	(2,490,809)	-	(5,964,172)
	<u>£ (8,954,011)</u>	<u>£ 2,468,426</u>	<u>£ (2,490,809)</u>	<u>£ -</u>	<u>£ (8,976,394)</u>

The notes on pages 18 to 44 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

1948 Group Limited is a private limited company incorporated in England and Wales. The Company is limited by shares and the address of its registered office is Henwood House, Henwood, Ashford, Kent, TN24 8DH. The address of the principal place of business is Charles Anthony House, Manston Road, Margate, Kent, CT9 4JW.

The registered number of the company is 03713113.

The principal activity of the company is that of property rental.

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 Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2014.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

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

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Operating leases: the Group as lessor

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

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

2.7 Government grants

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

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

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

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

2.11 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.12 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.13 Intangible assets

Goodwill

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

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	10 to 20 years
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2.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.14 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	- 15% - 25% reducing balance basis
Motor vehicles	- 15% - 25% reducing balance basis
Fixtures and fittings	- 15% - 25% reducing balance basis

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

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

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

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 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2.21 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.22 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

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

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

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

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

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 the deduction of all its liabilities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.22 Financial instruments (continued)

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Derecognition of financial instruments

Derecognition of financial assets

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

Derecognition of financial liabilities

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.23 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

In the application of the Group's accounting policies, which are described in note 2, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Depreciation and residual values

The directors have reviewed the useful economic life and associated residual values for all classes of fixed assets and have concluded that asset lives and residual values are appropriately reflected.

4. Turnover

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

	2022	2021
Waste removal and recycling	15,392,715	13,928,059
Demolition, contract work and salvage	17,710,187	15,050,552
Asbestos removal and disposal	653,181	736,295
Storage	454,027	337,098
Rental income	79,441	47,474
Concrete production and supply	4,939,291	3,254,625
	<u>£ 39,228,842</u>	<u>£ 33,354,103</u>

All turnover arose within the United Kingdom.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. Other operating income

	2022	2021
Other operating income	100,000	-
Government grants receivable	16,133	211,930
	<u>£ 116,133</u>	<u>£ 211,930</u>

6. Operating profit

The operating profit is stated after charging:

	2022	2021
Depreciation of tangible fixed assets	2,523,978	2,461,557
Amortisation of intangible assets, including goodwill	(108,852)	(108,852)
Profit on disposal of fixed assets	(452,351)	(371,527)
Exchange differences	178	14
Defined contribution pension cost	115,594	101,562
Operating leases	241,234	184,189
Government grants	£ (16,133)	£ (211,930)

7. Auditors' remuneration

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

	2022	2021
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	78,660	62,160
All other services	63,637	55,037
	<u>£ 142,297</u>	<u>£ 117,197</u>

	2022	2021
Fees payable to the Group's auditor for the audit of the Company's annual financial statements	11,995	10,500
All other services	21,834	23,143
	<u>£ 33,829</u>	<u>£ 33,643</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Employees

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

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Wages and salaries	7,653,393	6,888,923	41,674	41,817
Social security costs	817,078	681,882	861	890
Cost of defined contribution scheme	115,594	101,562	-	-
	<u>£ 8,586,065</u>	<u>£ 7,672,367</u>	<u>£ 42,535</u>	<u>£ 42,707</u>

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

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
Administration	22	25	-	-
Sales and marketing	4	5	-	-
Production	169	157	-	-
Directors	9	8	4	4
	<u>204</u>	<u>195</u>	<u>4</u>	<u>4</u>

9. Directors' remuneration

	2022	<i>2021</i>
Directors' emoluments	441,302	339,381
	<u>£ 441,302</u>	<u>£ 339,381</u>

During the year retirement benefits were accruing to 5 directors (2021 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £89,331 (2021 - £81,600).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £3,600 (2021 - £3,600).

The total accrued pension provision of the highest paid director at 31 December 2022 amounted to £NIL (2021 - £NIL).

The amount of the accrued lump sum in respect of the highest paid director at 31 December 2022 amounted to £NIL (2021 - £NIL).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Interest receivable

	2022	2021
Other interest receivable	9,588	11,423
	<u>£ 9,588</u>	<u>£ 11,423</u>

11. Interest payable and similar expenses

	2022	2021
Bank interest payable	236,293	202,379
Other loan interest payable	4,107	605
Finance leases and hire purchase contracts	217,916	351,325
Other interest payable	119,069	73,496
	<u>£ 577,385</u>	<u>£ 627,805</u>

12. Taxation

	2022	2021
Corporation tax		
Adjustments in respect of previous periods	(161,307)	(142,429)
Total current tax	<u>£ (161,307)</u>	<u>£ (142,429)</u>
Deferred tax		
Origination and reversal of timing differences	61,461	31,315
Total deferred tax	<u>£ 61,461</u>	<u>£ 31,315</u>
Taxation on loss on ordinary activities	<u>£ (99,846)</u>	<u>£ (111,114)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2021 - *lower than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022	2021
Profit on ordinary activities before tax	£ <u>647,188</u>	£ <u>292,439</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	122,966	55,563
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	14,459	6,251
Capital allowances for year in excess of depreciation	(300,202)	(479,513)
Utilisation of tax losses	(136,336)	-
Adjustments to tax charge in respect of prior periods	(161,307)	(142,429)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	-	(69,485)
Deferred tax	61,461	31,315
Unrelieved tax losses carried forward	299,113	487,184
Total tax charge for the year	£ <u>(99,846)</u>	£ <u>(111,114)</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

13. Dividends

	2022	2021
Final dividend on A ordinary shares of £1 each	600,000	540,000
Final dividend on B ordinary shares of £1 each	88,000	50,000
Final dividend on C ordinary shares of £1 each	48,000	-
Final dividend on E ordinary shares of £1 each	142,000	75,000
	£ <u>878,000</u>	£ <u>665,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £671,413 (2021 - £640,671).

15. Intangible assets**Group**

	Goodwill
Cost	
At 1 January 2022	2,177,087
	<hr/>
At 31 December 2022	2,177,087
	<hr/>
Amortisation	
At 1 January 2022	1,671,855
Charge for the year on owned assets	108,852
	<hr/>
At 31 December 2022	1,780,707
	<hr/>
Net book value	
At 31 December 2022	£ 396,380
	<hr/>
At 31 December 2021	£ 505,232
	<hr/>

All of the Group's intangible fixed assets are held in the Subsidiary Undertakings.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. Tangible fixed assets**Group**

	Freehold property	Plant and machinery	Motor vehicles	Fixtures and fittings	Total
Cost or valuation					
At 1 January 2022	13,222,084	18,892,987	1,578,114	795,338	34,488,523
Additions	14,752	2,417,290	371,895	65,107	2,869,044
Disposals	-	(1,618,337)	(117,634)	(1,654)	(1,737,625)
At 31 December 2022	<u>13,236,836</u>	<u>19,691,940</u>	<u>1,832,375</u>	<u>858,791</u>	<u>35,619,942</u>
Depreciation					
At 1 January 2022	-	10,581,727	762,085	592,600	11,936,412
Charge for the year on owned assets	-	499,723	92,880	54,398	647,001
Charge for the year on financed assets	-	1,716,075	160,902	-	1,876,977
Disposals	-	(1,065,737)	(96,625)	(1,179)	(1,163,541)
At 31 December 2022	<u>-</u>	<u>11,731,788</u>	<u>919,242</u>	<u>645,819</u>	<u>13,296,849</u>
Net book value					
At 31 December 2022	<u>£ 13,236,836</u>	<u>£ 7,960,152</u>	<u>£ 913,133</u>	<u>£ 212,972</u>	<u>£ 22,323,093</u>
At 31 December 2021	<u>£ 13,222,084</u>	<u>£ 8,311,260</u>	<u>£ 816,029</u>	<u>£ 202,738</u>	<u>£ 22,552,111</u>

The net book value of land and buildings may be further analysed as follows:

	2022	2021
Freehold	13,236,836	13,222,084
	<u>£ 13,236,836</u>	<u>£ 13,222,084</u>

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

	2022	2021
Plant and machinery	6,269,496	6,401,293
Motor vehicles	602,860	534,783
	<u>£ 6,872,356</u>	<u>£ 6,936,076</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Company

	Freehold property	Plant and machinery	Fixtures and fittings	Total
Cost or valuation				
At 1 January 2022	13,222,084	31,100	262,407	13,515,591
Additions	14,752	-	1,372	16,124
At 31 December 2022	<u>13,236,836</u>	<u>31,100</u>	<u>263,779</u>	<u>13,531,715</u>
Depreciation				
At 1 January 2022	-	3,888	241,515	245,403
Charge for the year on owned assets	-	6,803	5,372	12,175
At 31 December 2022	<u>-</u>	<u>10,691</u>	<u>246,887</u>	<u>257,578</u>
Net book value				
At 31 December 2022	<u>£ 13,236,836</u>	<u>£ 20,409</u>	<u>£ 16,892</u>	<u>£ 13,274,137</u>
At 31 December 2021	<u>£ 13,222,084</u>	<u>£ 27,212</u>	<u>£ 20,892</u>	<u>£ 13,270,188</u>

The net book value of land and buildings may be further analysed as follows:

	2022	2021
Freehold	13,236,836	13,222,084
	<u>£ 13,236,836</u>	<u>£ 13,222,084</u>

17. Fixed asset investments**Company**

	Investments in subsidiary companies
Cost or valuation	
At 1 January 2022	125
At 31 December 2022	<u>£ 125</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
D.D.S (Demolition) Limited	Demolition and salvage	£1 ordinary	100 %
Thanet Waste Services Limited	Waste removal and waste recycling	£1 ordinary	100 %
Secure Storage Solutions (Kent) Limited	Storage	£1 ordinary	100 %
Downfast Demolition & Salvage Limited	Dormant	£1 ordinary	100 %
DDS Group Limited	Dormant	£1 ordinary	100 %
Storage Solutions (Kent) Limited	Dormant	£1 ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
D.D.S (Demolition) Limited	1,030,390	(169,718)
Thanet Waste Services Limited	3,684,643	213,205
Secure Storage Solutions (Kent) Limited	(34,000)	176,348
Downfast Demolition & Salvage Limited	100	-
DDS Group Limited	1	-
Storage Solutions (Kent) Limited	10	-

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
DDS Environmental Limited	Asbestos removal and disposal	£1 ordinary	100 %
Reco Ready Mix Limited	Concrete suppliers	£1 ordinary	100 %
Recomix Limited	Dormant	£1 ordinary	100 %
TW Services (Kent) Limited	Dormant	£1 ordinary A shares	100 %
Reco Pro Limited	Dormant	£1 ordinary	100 %
DDS Contracting Services Limited	Contract management and groundworks	£1 ordinary	100 %

The registered office of all Companies within the Group is Henwood House, Henwood, Ashford, Kent, TN24 8DH. All Companies are included in the consolidated financial statements.

The financial statements of the dormant Companies were exempt from audit.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Indirect subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	Profit/(Loss)
DDS Environmental Limited	(485,861)	(277,678)
Reco Ready Mix Limited	12,518	109,978
Recomix Limited	100	-
TW Services (Kent) Limited	1	-
Reco Pro Limited	1	-
DDS Contracting Services Limited	510,994	23,488

18. Stocks

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Raw materials and consumables	353,160	370,885	-	-
Work in progress	55,248	166,641	8,830	-
	<u>£ 408,408</u>	<u>£ 537,526</u>	<u>£ 8,830</u>	<u>£ -</u>

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

19. Debtors

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Trade debtors	5,773,683	4,638,677	-	-
Amounts owed by group undertakings	-	-	1,885,914	2,857,156
Other debtors	1,255,742	1,389,802	770,103	860,147
Prepayments and accrued income	678,578	583,341	-	-
	<u>£ 7,708,003</u>	<u>£ 6,611,820</u>	<u>£ 2,656,017</u>	<u>£ 3,717,303</u>

20. Cash and cash equivalents

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Cash at bank and in hand	1,920,504	3,043,960	935,836	320,756
Less: bank overdrafts	(140,236)	(53,689)	-	-
	<u>£ 1,780,268</u>	<u>£ 2,990,271</u>	<u>£ 935,836</u>	<u>£ 320,756</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

21. Creditors: Amounts falling due within one year

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Bank overdrafts	140,236	53,689	-	-
Bank loans	1,239,362	708,798	1,239,362	708,798
Trade creditors	5,218,453	4,285,450	59,319	37,949
Amounts owed to group undertakings	-	-	1,578,521	1,125,347
Other taxation and social security	412,730	488,243	4,623	568
Obligations under finance lease and hire purchase contracts	2,017,097	2,206,041	-	-
Other creditors	1,879,835	2,094,403	1,633,268	1,639,937
Accruals and deferred income	377,715	344,320	10,781	11,559
	£ 11,285,428	£ 10,180,944	£ 4,525,874	£ 3,524,158

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

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Bank loans	3,553,128	4,785,141	3,553,128	4,785,141
Net obligations under finance leases and hire purchase contracts	3,947,075	4,244,302	-	-
	£ 7,500,203	£ 9,029,443	£ 3,553,128	£ 4,785,141

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

23. Loans

Analysis of the maturity of loans is given below:

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Amounts falling due within one year				
Bank loans	1,239,362	708,798	1,239,362	708,798
	1,239,362	708,798	1,239,362	708,798
Amounts falling due 2-5 years				
Bank loans	3,439,651	4,374,029	3,439,651	4,374,029
	3,439,651	4,374,029	3,439,651	4,374,029
Amounts falling due after more than 5 years				
Bank loans	113,477	411,112	113,477	411,112
	113,477	411,112	113,477	411,112
	£ 4,792,490	£ 5,493,939	£ 4,792,490	£ 5,493,939

Bank loans and overdrafts are secured by a fixed and floating charge over the undertaking and property and assets held by the Group. There is also a first legal charge over various properties owned by the Group.

Banking arrangements are also secured by an unlimited cross guarantee between 1948 Group Limited, D.D.S (Demolition) Limited and Thanet Waste Services Limited.

A bank loan totalling £193,111 which originally commenced drawdown in 2013 includes amounts which are due after 5 years. Repayments are by instalments and capital of £8,778 is being repaid quarterly.

A bank loan totalling £303,333 which originally commenced drawdown in 2014 includes amounts which are due after 5 years. Repayments are by instalments and capital of £10,833 is being repaid quarterly.

A bank loan totalling £20,637 which originally commenced drawdown in 2021 includes amounts which are due after 5 years. Repayments are by instalments and capital of £938 being repaid quarterly.

A bank loan totalling £25,822 which originally commenced drawdown in 2021 includes amounts which are due after 5 years. Repayments are by instalments and capital of £922 being repaid quarterly.

The bank completed a review of bank loans in January 2023 and interest payable was agreed on the above bank loans at rates between 2.5% and 4.3295% above the LIBOR or Bank of England base rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022	<i>Group 2021</i>
Within one year	2,017,097	2,206,041
Between 1-5 years	1,691,530	1,721,846
Between 2-5 years	2,092,124	2,285,204
Over 5 years	163,421	237,252
	<u>£ 5,964,172</u>	<u>£ 6,450,343</u>

Finance lease and hire purchase contracts totalling £5,964,172 (2021: £6,450,643) are secured on the assets concerned. Repayments are fixed monthly contracted amounts with rates of interest between 1.20% and 9.21% being applied. Cross guarantees also exist between specific group companies as security in relation to some of the hire purchase and finance lease agreements.

Finance lease and hire purchase contracts include £163,421 (2021: £237,252) in respect of repayments by instalments falling due after five years. Amounts falling due after five years are repayable by fixed monthly contracted amounts with a rate of interest of 1.62% being applied.

25. Financial instruments

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Financial assets				
Financial assets measured at fair value through profit or loss	1,920,504	3,043,960	935,836	320,756
Financial assets that are debt instruments measured at amortised cost	7,029,425	6,028,479	2,656,017	3,717,303
	<u>£ 8,949,929</u>	<u>£ 9,072,439</u>	<u>£ 3,591,853</u>	<u>£ 4,038,059</u>

Financial liabilities

Financial liabilities measured at amortised cost	<u>£ (12,408,729)</u>	<u>£ (12,271,801)</u>	<u>£ (8,074,379)</u>	<u>£ (8,308,731)</u>
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Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, amounts owed to group undertakings, other creditors, accruals and deferred income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

26. Deferred taxation**Group**

	2022	2021
At beginning of year	511,176	479,861
Charged to profit or loss	61,461	31,315
At end of year	£ 572,637	£ 511,176

Company

	2022	2021
At beginning of year	112,833	80,550
Charged to profit or loss	3,457	32,283
At end of year	£ 116,290	£ 112,833

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Accelerated capital allowances	1,427,854	1,152,208	116,290	112,833
Tax losses carried forward	(855,217)	(641,032)	-	-
	£ 572,637	£ 511,176	£ 116,290	£ 112,833

27. Share capital

	2022	2021
Allotted, called up and fully paid		
200 (2021 :200) A Ordinary shares of £1.00 each	200	200
300 (2021 :300) B Ordinary shares of £1.00 each	300	300
100 (2021 :100) C Ordinary shares of £1.00 each	100	100
100 (2021 :100) D Ordinary shares of £1.00 each	100	100
300 (2021 :300) E Ordinary shares of £1.00 each	300	300
	£ 1,000	£ 1,000

All classes of shares rank pari passu.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

28. Capital commitments

At 31 December 2022 the Group and Company had capital commitments as follows:

	Group 2022	<i>Group 2021</i>
Contracted for but not provided in these financial statements	407,011	1,987,801
	<u>£ 407,011</u>	<u><i>£ 1,987,801</i></u>

29. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £115,594 (2021: £101,562). Contributions totalling £13,570 (2021 : £12,860) were payable to the fund at the balance sheet date and are included in creditors.

30. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022	<i>Group 2021</i>
Not later than 1 year	148,085	128,850
Later than 1 year and not later than 5 years	154,795	102,215
	<u>£ 302,880</u>	<u><i>£ 231,065</i></u>

31. Related party transactions

During the year D.D.S (Demolition) Limited provided goods and services totalling £Nil (2021: £118,127) to REWD Limited and received net funds on behalf of REWD Limited totalling £Nil (2021: £19,110). The amount due from REWD Limited at the balance sheet date was £8,646 (2021: £8,646).

During the year DDS Contracting Services Limited provided goods and services totalling £3,192 (2021: £25,479) to REWD Limited. The amount due from REWD Limited at the balance sheet date was £Nil (2021: £Nil).

During the year DDS Environmental Limited provided goods and services totalling £Nil (2021: £4,403) to REWD Limited. The amount due from REWD Limited at the balance sheet date was £Nil (2021: £Nil).

During the year 1948 Group Limited received funds from REWD Limited totalling £1,170,000 (2021: £775,000) and repaid funds of £775,000 (2021: £Nil). The amount due (to) REWD Limited at the balance sheet date was (£510,000) (2021: (£115,000)).

Mr W Ray, a director of the company has a material interest in the transactions by virtue of his shareholding in REWD Limited.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

31. Related party transactions (continued)

During the year D.D.S (Demolition) Limited provided goods and services totalling £Nil (2021: £5,818) to Southwood Design & Build Limited.

The amount due from Southwood Design & Build Limited at the balance sheet date was £Nil (2021: £Nil).

Mr L Ray, a director of the company has a material interest in the transactions by virtue of his shareholding in Southwood Design & Build Limited.

During the year D.D.S (Demolition) Limited received goods and services totalling £35,300 (2021: £11,897) from Just Welfare Limited and supplied goods and services totalling £105,131 (2021: £Nil).

The amount due from/(to) Just Welfare Limited at the balance sheet date was £15,690 (2021: (£13,232)).

During the year DDS Contracting Services Limited received goods and services totalling £22,020 (2021: £Nil) from Just Welfare Limited.

The amount due to Just Welfare Limited at the balance sheet date was £15,585 (2021: £Nil).

During the year DDS Environmental Limited received goods and services totalling £19,348 (2021: £2,546) from Just Welfare Limited.

The amount due to Just Welfare Limited at the balance sheet date was £13,506 (2021: £3,055).

During the year Secure Storage Solutions (Kent) Limited supplied goods and services totalling £667 (2021: £Nil) to Just Welfare Limited.

The amount due from Just Welfare Limited at the balance sheet date was £Nil (2021: £Nil).

Mr W Ray, a director of the companies, Mr T Worrall and Mr M Hennessy, directors of the D.D.S (Demolition) Limited, have an interest in the transactions by virtue of their shareholding in Just Welfare Limited.

During the year DDS Contracting Services Limited received goods and services totalling £39,961 (2021: £42,214) from Jedbrig Services Limited.

The amount due from Jedbrig Services Limited at the balance sheet date was £Nil (2021: £8,947).

Mr J Read, a director of DDS Contracting Services Limited, has an interest in the transactions by virtue of his shareholding in Jedbrig Services Limited.

During the year 1948 Group Limited provided funds totalling £Nil (2021: £Nil) to Shemara (Kent) Limited. The amount due from Shemara (Kent) Limited at the balance sheet date was £100,000 (2021: £100,000).

Mr W Ray, a director of the company has a material interest in the transactions by virtue of his shareholding in Shemara (Kent) Limited.

During the year D.D.S (Demolition) Limited received goods and services totalling £375 (2021: £Nil) from Flat Six Logistics Limited. The amount due to Flat Six Logistics Limited at the balance sheet date was £Nil (2021: £Nil).

Mr W Ray, a director of D.D.S (Demolition) Limited has an interest in the transactions by virtue of his shareholding in Flat Six Logistics Limited.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

31. Related party transactions (continued)

During the year 1948 Group Limited provided funds to Raycasa Investments Limited totalling £Nil (2021: £Nil). The amount due from Raycasa Investments Limited at the balance sheet date was £580,000 (2021: £580,000).

Mr S Ray, a director of the company has a material interest in the transactions by virtue of his shareholding in Raycasa Investments Limited.

During the year Thanet Waste Services Limited provided funds for goods and services on behalf of Ebbsfleet Minster (Kent) Limited totalling £2,219 (2021: £Nil). The amount due from Ebbsfleet Minster (Kent) Limited at the balance sheet date was £2,219 (2021: £Nil).

Mr S Ray, a director of Thanet Waste Services Limited has an interest in the transactions by virtue of his directorship and shareholding in Ebbsfleet Minster (Kent) Limited.

The following related party transactions occurred within the Group during the year:-

During the year the company provided goods and services in respect of rent totalling £312,000 (2021: £312,000) to D.D.S (Demolition) Limited and received goods and services totalling £14,916 (2021: £Nil). The company also (received)/paid net funds of (£944,815) (2021: £1,675,072). The amount due from D.D.S (Demolition) Limited at the balance sheet date was £1,232,203 (2021: £2,185,656).

During the year the company provided goods and services in respect of rent totalling £660,000 (2021: £660,000) to Thanet Waste Services Limited. The company also (received) net funds of (£472,840) (2021: (£486,703)) from Thanet Waste Services Limited. The amount due (to) Thanet Waste Services Limited at the balance sheet date was (£784,332) (2021: (£476,492)).

During the year the company received goods and services from DDS Contracting Services Limited totalling £368. The amount due (to) DDS Contracting Services Limited at the balance sheet date was (£145,334) (2021: (£145,334)).

During the year the company received net funds from DDS Environmental Limited totalling £Nil (2021: £Nil). The amount due (from) DDS Environmental Limited at the balance sheet date was (£648,744) (2021: (£648,744)).

During the year the company provided goods and services to Secure Storage Solutions (Kent) Limited in respect of rent totalling £96,000 (2021: £96,000) and received goods and services totalling £19,126 (2021: £14,469). The company also (received) net funds totalling (£68,126) (2021: £29,691)) from Secure Storage Solutions (Kent) Limited. The amount due to 1948 Group Limited at the balance sheet date was £128,592 (2021: £180,718).

During the year the company paid net funds totalling £33,338 (2021: £Nil) to Reco Ready Mix Limited. The amount due to 1948 Group Limited at the balance sheet date was £525,120 (2021: £491,782).

During the year D.D.S (Demolition) Limited provided goods and services totalling £70,499 (2021: £99,167) to Thanet Waste Services Limited and received goods and services totalling £699,279 (2021: £456,800). Net funds of (£193,918) (2021: £250,000) were also (paid)/received by D.D.S (Demolition) Limited during the year. The amount due from/(to) Thanet Waste Services Limited at the balance sheet date was £164,398 (2021: (£29,520)).

During the year D.D.S (Demolition) Limited provided goods and services totalling £114,799 (2021: £209,531) to DDS Environmental Limited and received goods and services totalling £369,795 (2021: £236,174). Net funds of (£270,194) (2021: £203,503) were also (paid)/received by D.D.S (Demolition) Limited during the year. The amount due from DDS Environmental Limited at the balance sheet date was £1,212,218 (2021: £941,913).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

31. Related party transactions (continued)

During the year D.D.S (Demolition) Limited provided goods and services totalling £1,386,548 (2021: £545,125) to DDS Contracting Services Limited and received goods and services totalling £17,728 (2021: £25,473). Net funds of £558,602 (2021: (£211,058)) were also received/(paid) by D.D.S (Demolition) Limited. The amount due (to)/from DDS Contracting Services Limited at the balance sheet date was (£330,740) (2021: (£211,057)).

During the year D.D.S (Demolition) Limited provided goods and services to Secure Storage Solutions (Kent) Limited totalling £5,486 (2021: £10,207) and received goods and services totalling £44,880 (2021: £13,453). Net funds of £63,625 (2021: £18,732) were also received by D.D.S (Demolition) Limited. The amount due from Secure Storage Solutions (Kent) Limited at the balance sheet date was £6,901 (2021: £70,182).

During the year D.D.S (Demolition) Limited provided goods and services totalling £1,489 (2021: £3,703) to Reco Ready Mix Limited and received goods and services totalling £6,318 (2021: £2,951). The amount due from/(to) Reco Ready Mix Limited at the balance sheet date was £379 (2021: (£1,403)).

During the year DDS Contracting Services Limited received goods and services totalling £366,460 (2021: £126,487). The amount due (to) Thanet Waste Services Limited at the balance sheet date was (£46,694) (2021: (£66,230)).

During the year DDS Contracting Services Limited provided goods and services totalling £1,925 (2021: £Nil) and received goods and services from DDS Environmental Limited totalling £8,741 (2021: £2,631). Net funds of (£5,487) (2021: £7,049) were also (paid)/received by DDS Contracting Services Limited during the year. The amount due (to) DDS Environmental Limited at the balance sheet date was (£1,562) (2021: (£7,049)).

During the year DDS Contracting Services Limited received goods and services from Secure Storage Solutions (Kent) Limited totalling £Nil (2021: £31,260). Net funds of £62 (2021: £Nil) were also received by DDS Contracting Services Limited. The amount due (to) Secure Storage Solutions (Kent) Limited at the balance sheet date was (£62) (2021: £Nil).

During the year DDS Contracting Services Limited received goods and services from Reco Ready Mix Limited totalling £219,203 (2021: £170,850). The amount due (to) Reco Ready Mix Limited at the balance sheet date was (£56,148) (2021: (£47,381)).

During the year Thanet Waste Services Limited provided goods and services totalling £1,668,259 (2021: £989,856) to Reco Ready Mix Limited and received goods and services totalling £513,036 (2021: £333,936). Net funds of (£324,437) (2021: (£53,975)) were also (paid) by Thanet Waste Services Limited during the year. The amount due from/(to) Reco Ready Mix Limited at the balance sheet date was £415,080 (2021: (£7,358)).

During the year Thanet Waste Services Limited provided goods and services totalling £Nil (2021: £124) to DDS Environmental Limited. The amount due from DDS Environmental Limited at the balance sheet date was £Nil (2021: £Nil).

During the year Thanet Waste Services Limited provided goods and services totalling £1,357 (2021: £2,328) to Secure Storage Solutions (Kent) Limited. Net funds of (£328) (2021: £278) was also (received)/paid by Thanet Waste Services Limited during the year. The amount due from Secure Storage Solutions (Kent) Limited at the balance sheet date was £Nil (2021: £328).

During the year DDS Environmental Limited provided goods and services to Secure Storage Solutions (Kent) Limited totalling £Nil (2021: £40). Net funds of (£4,548) (2021: £4,548) were also (received)/paid by Secure Storage Solutions (Kent) Limited during the year. The amount due from Secure Storage Solutions (Kent) Limited at the balance sheet date was £Nil (2021: £4,548).

All transactions were undertaken on a normal arms length basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

31. Related party transactions (continued)

During the year, there were also transactions between the directors and 1948 Group Limited.

There were net (repayments) / net loans made by the company of (£262,959) to Mr L J Ray and Mrs L Ray during the year (2021: net loans £193,503) as well as interest paid of £77,784 (2021: £51,998). The balance due to Mr L J Ray and Mrs L Ray at the year end date is £772,225 (2021: £1,059,401).

There were net (repayments) made by the company of (£325,179) to Mr S Ray during the year (2021: (£277,963)) as well as net interest paid /(received) of £3,640 (2021: (£3,156)). The balance due to Mr S Ray the year end date is £7,488 (2021: £1,026).

There were net (repayments) made by the company of (£492,424) to Mr W Ray during the year (2021: £33,945) as well as net interest paid of £20,295 (2021: £6,452). The balance due to Mr W Ray at the year end date is £277,736 (2021: £449,865).

Interest paid by the company was at 10% and received by the company at 2% and balances due to the directors are included in other creditors.

In addition to the above transactions with directors, dividends paid to the directors during the year were as follows:-

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Dividends paid to the directors during the year was as follows:				
Mr L J Ray	88,000	<i>50,000</i>	88,000	<i>50,000</i>
Mrs L Ray	142,000	<i>75,000</i>	142,000	<i>75,000</i>
Mr S Ray	348,000	<i>270,000</i>	348,000	<i>270,000</i>
Mr W Ray	300,000	<i>270,000</i>	300,000	<i>270,000</i>
	£ 878,000	<i>£ 665,000</i>	£ 878,000	<i>£ 665,000</i>

Remuneration of directors and key management personnel during the year was as follows:-

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
Remuneration of directors and key management	440,385	<i>338,510</i>	41,674	<i>41,817</i>
	£ 440,385	<i>£ 338,510</i>	£ 41,674	<i>£ 41,817</i>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

**32. Controlling party / Ultimate parent undertaking and
controlling party**

The parent undertaking of the smallest group to consolidate their financial statements is 1948 Group Limited, a company incorporated in England and Wales. The registered office of the company is Henwood House, Henwood, Ashford, Kent, TN24 8DH.

The parent undertaking of the largest group to consolidate these financial statements is 1948 Group Limited, a company incorporated in England and Wales. The registered address of the company is Henwood House, Henwood, Ashford, Kent, TN24 8DH.

The ultimate parent undertaking is 1948 Group Limited, a company incorporated in England and Wales.

1948 Group Limited is also the most senior parent entity producing publicly available financial statements.

The controlling party of the parent undertaking is Mr and Mrs L Ray, by virtue of a combined interest of 60% of the issued share capital of the company.

1948 Group Limited has prepared consolidated financial statements which include this company and are publicly available.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.