Transporter Engineering Limited

Annual Report and Financial Statements

Year Ended

31 March 2023

Company Number 04437451

Transporter Engineering Limited

Company Information

Directors	K T Ripper D Hills B T Poulter
Registered number	04437451
Registered office	Transporter House Units 4 - 7 Gosfield Business Park The Old Airfield Gosfield, Halstead Essex CO9 1SA
Trading Address	Transporter House, Gosfield Business Park The Old Airfield Gosfield Halstead Essex CO9 1SA
Independent auditor	BDO LLP First Floor Franciscan House 51 Princes Street Ipswich IP1 1UR

Transporter Engineering Limited

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Transporter Engineering Limited

Strategic Report
For the Year ended 31 March 2023

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

Review of business and future developments

The results of the company show a profit on ordinary activities before tax of £407,514 (2022 - £205,019). The shareholders' funds total £3,632,071 (2022 - £3,277,707).

This financial year has been another difficult trading period off the back of the pandemic. The economy continues to try and recover from the lockdown, and this has had a knock-on effect to the motor industry. There seems to be a lot of pent-up demand for products, but the manufacturing sector has been hit with large increases in commodity prices.

The business has seen an increase in interest for our products but with the motor industry still feeling the effects of the pandemic with the availability of components being in short supply, the effect of this is that tractor units are not as readily available just like motor vehicles.

During the financial year we saw tension between Russia and Ukraine overflow, for which the impact was noticed during the trading period, with the price of commodities increasing at unprecedented levels.

Turnover for the year was £22,450,652 (2022 - £18,213,423). Despite a challenging year an overall increase in revenue of 23% although due to price increases the gross profit margin reduced by 1%.

Principal risks and uncertainties

The objective of the company is to manage its financial risks as well as its other business risks with parameters agreed and approved by the directors. The company manages its cash and borrowing requirements in order to maximise interest income and minimise expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

The business is at risk from rising material costs as well as normal commercial risks to the industry and the economy. These risks include the degree of impact of COVID-19 on the market which it services as much as possible, the directors have considered the impact of the unprecedented position of COVID-19 along with the rising prices and potential effects on the business, which represent significant risks and uncertainties to the business, and sensitivity analysis has been performed based of anticipated trading positions as part of their going concern assessment, as explained within note 2.3 to the financial statements

Commodity prices are currently at highly inflated values from the fallout of the war in Ukraine affecting the build cost of the products, and this was anticipated to level out at the start of 2022, but prices have remained high or increased further.

The directors monitor the performance of the company using a number of key performance indicators, including sales and profitability.

Future developments

Additional improvements to the site are constantly considered and implemented where appropriate to facilitate shareholder return, and to further enhance the business activities.

The business continues to further develop its relationship with companies outside the group based at the site to improve the flow of components and processes required, which is working very well and improving delivery times of components.

In relation to COVID-19, the business continues to have measures in place to protect employees as much as possible, including working from home where practical. The group is reliant on the various skill sets of its employees required in certain areas of the car transporter manufacturing process so the Group ensures temperature checks and test kits are in place.

Future developments (continued)

Regarding the reliability of inward supplies to the manufacturing business for the manufacturing processes, with the spread of suppliers available to the business and stocks held, the business is able to trade for a period of around three months without requiring major components, which allows the business adequate time to source alternative suppliers.

The vehicle market has remained depressed due to shortages in the automotive microchips required for each build, which is the fallout from the pandemic, but build programmes are in place with manufacturers with increased output for electric vehicles. This is a good indication that volumes in the transportation market are expected to increase.

There has also been a shift in the buying behaviour of consumers which means some of our customers have ventured into differing options to move those vehicles which we are able to provide, given previous time and money spent on development.

The business continues to look at expansion into alternative car transportation models given Government expectations, and invest in R&D for the current models to provide the continuous improvements that our customers require.

The business has also looked to invest heavily in its team of employees to ensure that staff retention is at the forefront of our business model, and this will help achieve continued efficiencies, but with the country still feeling the effects of the pandemic, this has been more difficult to achieve.

This report was approved by the board on 13th November 2023

D Hills
Director

Transporter Engineering Limited

Directors' Report
For the Year ended 31 March 2023

The directors present their report together with the audited financial statements for the year ended 31 March 2023.

Principal activity

The principal activity of the company continued to be that of the manufacture and sale of car transporters, metal structures and parts.

Business review

The business review and principal risks have been included in the strategic report on page 1.

Financial risk and management instruments

The company's financial risk management objective is broadly to seek to make neither profit nor loss from exposure to currency or interest rate risks. Its policy is to finance working capital through retained earnings and through borrowings at prevailing market interest rates. Its policy is to finance some fixed assets through fixed rate borrowings for a term broadly expected to match the useful economic lives of the assets. The company's exposure to the price risk of financial instruments is therefore minimal.

As the main counterparty to its financial instruments are its bankers, it is also exposed to minimal credit and liquidity risks in respect of these instruments.

Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet the contractual obligations. The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through internal credit control procedures.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

Market prices

The company, alongside its competitors, is exposed to fluctuation in certain purchased materials and manages this risk, so far as is possible, by having long term relationships with key suppliers that aim to bring a high degree of stability and certainty to material costs.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

Going concern

The company's business activities, together with the factors likely to affect its future development, its financial position, details of its financial instruments and its exposures to price, credit, liquidity and cash flow risk are described above and in the strategic report.

The directors have assessed the going concern position of the company, as explained within note 2.3 to the financial statements, including considering the impact of both the post pandemic economic conditions and conflict in eastern Europe on the business. As explained within note 2.3, the directors consider that the company has sufficient financial resources. As a consequence, the directors believe that the company is well placed to manage its business risks successfully and the directors have every expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Research and development activities

The company is actively engaged in product research and development in order to maintain its competitiveness.

Results and dividends

The profit for the year, after taxation, amounted to £354,364 (2022 - £175,970).

The directors paid a dividend of £Nil (2022 - £Nil) for the year

Directors

The directors who served during the year were:

K T Ripper
D Hills
B T Poulter

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'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's auditors are aware of that information.

Auditors

The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 13th November 2023 and signed on its behalf.

D Hills
Director

Directors' Responsibilities Statement
For the Year ended 31 March 2023

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Independent Auditors' Report to the Members of Transporter Engineering Limited

Opinion on the financial statements

In our opinion the financial statements:

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

We have audited the financial statements of Transporter Engineering Limited ("the Company") for the year ended 31 March 2023 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Non-compliance with laws and regulations

Based on:

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

We considered the significant laws and regulations to be Companies Act 2006 and UK tax legislation.

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

Our procedures in respect of the above included:

- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

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

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

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

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:
- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

Keith Ferguson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Ipswich
United Kingdom

Date:

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

Transporter Engineering Limited

Statement of Comprehensive Income
For the Year ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	**22,450,652**	18,213,423
Cost of sales		**(20,140,426)**	(16,157,719)
Gross profit		**2,310,226**	2,055,704
Administrative expenses		**(1,900,031)**	(1,845,314)
Other operating income		**-**	1,175
Operating profit	5	**410,195**	211,565
Interest receivable and similar income		**3,668**	37
Interest payable and similar charges		**(6,349)**	(6,583)
Profit before tax		**407,514**	205,019
Tax on profit	8	**(53,150)**	(29,049)
Profit for the financial year		**354,364**	175,970

There was no other comprehensive income for 2023 (2022 - £Nil).

The notes on pages 13 to 25 form part of these financial statements.

Transporter Engineering Limited
Registered number: 04437451

Statement of Financial Position
As at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		189,087		188,006
Current assets					
Stocks	10	4,632,963		3,582,503	
Debtors: amounts falling due within one year	11	2,198,541		2,624,707	
Cash at bank and in hand	12	615,236		290,790	
		7,446,740		6,498,000	
Creditors: amounts falling due within one year	13	(3,734,443)		(3,100,776)	
Net current assets			3,712,297		3,397,224
Total assets less current liabilities			3,901,384		3,585,230
Creditors: amounts falling due after more than one year	14		-		(4,118)
Provisions for liabilities					
Deferred tax	15		(15,813)		(7,505)
Other provisions	16		(253,500)		(295,900)
			(269,313)		(303,405)
Net assets			3,632,071		3,277,707
Capital and reserves					
Called up share capital	17		200,000		200,000
Profit and loss account	18		3,432,071		3,077,707
Total equity			3,632,071		3,277,707

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

D Hills
Director

The notes on pages 13 to 25 form part of these financial statements.

Transporter Engineering Limited

Statement of Changes in Equity
For the Year ended 31 March 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	200,000	3,077,707	3,277,707
Comprehensive income for the year			
Profit for the year	-	354,364	354,364
Total comprehensive income for the year	-	354,364	354,364
At 31 March 2023	200,000	3,432,071	3,632,071

Statement of Changes in Equity
For the Year ended 31 March 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	200,000	2,901,737	3,101,737
Comprehensive income for the year			
Profit for the year	-	175,970	175,970
Total comprehensive income for the year	-	175,970	175,970
At 31 March 2022	200,000	3,077,707	3,277,707

The notes on pages 13 to 25 form part of these financial statements.

1. General information

Transporter Engineering Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

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 management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of the parent company, Park Hall (Gosfield) Ltd as at 31 March 2023 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

2.3 Going concern

The directors have prepared trading and cash flow forecasts and reviewed the company's trading and working capital requirements, and considered its financial resources. When preparing these forecasts, the impact of both the post pandemic economic conditions and conflict in eastern Europe on the business was considered.

The company is party to an unlimited cross-guarantee for the bank debts (overdrafts) of fellow subsidiary companies, as explained within note 19.

Given the unlimited cross guarantee in place in relation to the sister subsidiary borrowings, the directors have also reviewed trading and cash flow forecasts of the group it is part of.

2. Accounting policies (continued)

2.3 Going concern (continued)

Following this review, the company has sufficient financial resources. As a consequence, the directors believe that the company is well placed to manage its business risks successfully and the directors have every expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2.4 Turnover

Turnover is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Turnover from the sales of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment. These criteria are usually considered to be met: For car transporters-upon completion of manufacture of the car transporter; for the sale of parts and spares-upon dispatch of goods to the buyer. Turnover is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

2.5 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation on tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following basis:

Computer and office equipment	-	33% straight line and 20% straight line
Plant and equipment	-	20% reducing balance
Motor vehicles	-	25% straight line

2.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for absolute and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.7 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.

2.8 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.

2. Accounting policies (continued)

2.9 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flow discounted at the asset's original effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis to realise the asset and settle the liability simultaneously.

2.10 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.

2.11 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the statement of comprehensive income in the same period as the related expenditure.

2.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2. Accounting policies (continued)

2.13 Warranty

Under the terms of a sale, the company is bound to meet costs of rectification work required during a specified period after sale. The element of the warranty relating to purchased parts is underwritten by the supplier and therefore the company is only responsible for the cost of the labour in respect of those parts. The company has provided for expected costs to be incurred relating to potential warranty claims.

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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 reporting date.

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

Preparation of financial statements requires management to exercise judgement in applying the company's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed as necessary.

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the company either as a lessor or lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and reward of ownership have been transferred from the lessor to the lessee on a lease basis.

- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

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

- Determine whether debtors are recoverable. Consideration is made of any objective evidence of impairment of any financial assets that are measured at cost or amortised cost, including observable data that come to the attention of the company or other factors which may also be evidence of impairment, including changes with an adverse effect that have taken place in the technological market, economic or legal environment in respect of that financial asset.

- Determine whether the warranty provision recognised in respect of after sales warranties issued to customers represents an accurate estimation of the potential liability. Factors taken into consideration include anticipated claim volumes under the warranty scheme and past experience in respect of the nature and value of these claims.

Other key sources of estimation uncertainty

- *Tangible fixed assets (see note 9)*

  Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and project disposal values.

- Stock valuation and provision (see note 10)

  The company applies standard costing in its valuation of finished goods and work in progress. There is a degree of estimation involved in assessing the inputs and calculations to arrive at the standard costs for each product that makes up the year end stock value. These include estimates such as direct labour time and rates, average price of materials relevant to the respective item in stock at the year end, wastage at each stage of production and the proportion of relevant overheads to be absorbed.

  The company records a provision for stock with reference to the items obsolescence, as well as based on the last time the stock item was used in production.

- Provisions (see note 16)

  Provisions are estimated based on historic experience and trends. the actual claims made under the warranty scheme depend on a number of factors. In determining the warranty provision previous claim proportions and values of claims are compared against current products and the likelihood of a claim being made, considering the stage at which the sale is within the warranty period.

4. Turnover

All of the company's turnover is attributable to its principal activity of the manufacture and sale of car transporters, metal structures and parts.

100% (2022 - 100%) of all turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets - owned by the company	**58,926**	63,662
Depreciation of tangible fixed assets - leased by the company	**2,943**	7,542
Fees payable to the company's auditor for: - the audit of the company's annual financial statements	**24,948**	21,000
Plant and machinery operating lease rentals	**58,527**	49,144
Other operating lease rentals	**287,796**	287,796

Fees paid to the company's auditor for services other than the statutory audit of the company are not disclosed in the company accounts since the consolidated accounts of the parent company, Park Hall (Gosfield) Ltd are required to disclose non-audit fees on a consolidated basis.

6. Employees

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

	2023 £	2022 £
Wages and salaries	**2,109,434**	2,068,300
Social security costs	**205,947**	186,408
Cost of defined contribution scheme	**46,728**	45,424
	2,362,109	2,300,132

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

	2023 No.	2022 No.
Production	**57**	52
Management and administration	**18**	19
	75	71

7. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	**67,952**	72,994
Company contributions to defined contribution pension schemes	**1,321**	1,321
	69,273	74,315

During the year retirement benefits were accruing to 1 directors (2022 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £67,952 (2022 - £72,994).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted £1,321 (2022 - £1,321).

8. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	**73,061**	32,600
Adjustments in respect of previous periods	**(28,219)**	(6,089)
Total current tax	**44,842**	26,511
Deferred tax		
Origination and reversal of timing differences	**8,308**	6,500
Adjustments in respect of prior periods	**-**	(4,203)
Effect of increased/decreased tax rate on opening balance	**-**	241
Total deferred tax	**8,308**	2,538
Taxation on profit on ordinary activities	**53,150**	29,049

8. Taxation (continued)

Factors affecting tax charge for the year

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

	2023 £	2022 £
Profit on ordinary activities before tax	**407,514**	205,019
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	**77,428**	38,954
Effects of:		
Fixed asset differences	**(1,683)**	(3,748)
Expenses not deductible for tax purposes	**3,630**	2,334
Adjustments to tax charge in respect of previous periods	**(28,219)**	(6,089)
Adjustments to tax charge in respect of prior periods - deferred tax	**-**	(4,203)
Remeasurement of deferred tax for changes in tax rates	**1,994**	1,801
Total tax charge for the year	**53,150**	29,049

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

For further information on deferred tax balances see note 15.

9. Tangible fixed assets

	Plant and equipment £	Motor vehicles £	Computer and office equipment £	Total £
Cost or valuation				
At 1 April 2022	**526,141**	**116,500**	**193,958**	**836,599**
Additions	**30,391**	**19,995**	**15,439**	**65,825**
Disposals	**(12,902)**	**-**	**(49,970)**	**(62,872)**
At 31 March 2023	**543,630**	**136,495**	**159,427**	**839,552**
Depreciation				
At 1 April 2022	**380,082**	**87,448**	**181,063**	**648,593**
Charge for the year	**32,857**	**18,505**	**10,507**	**61,869**
Disposals	**(10,027)**	**-**	**(49,970)**	**(59,997)**
At 31 March 2023	**402,912**	**105,953**	**141,600**	**650,465**
Net book value				
At 31 March 2023	**140,718**	**30,542**	**17,827**	**189,087**
At 31 March 2022	146,059	29,052	12,895	188,006

The net book value of assets held under finance leases or hire purchase contracts, included above, are £Nil (2022 - £2,943).

10. Stocks

	2023 £	2022 £
Work in progress	**860,967**	389,757
Raw materials, finished goods and goods for resale	**3,771,996**	3,192,746
	4,632,963	3,582,503

The impairment loss reversal recognised in the statement of comprehensive income for the year in respect of provision for inventory was £91,752 (2022 - £11,193).

11. Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	**2,035,272**	2,402,761
Amounts owed by group undertakings	**10,595**	1,806
Amounts owed by joint ventures and associated undertakings	**112,305**	138,720
Other debtors	**1,790**	3,701
Tax recoverable	**-**	36,792
Prepayments and accrued income	**38,579**	40,927
	2,198,541	2,624,707

12. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	**615,236**	290,790

13. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	**1,976,028**	2,390,820
Amounts owed to group undertakings	**914,325**	15,649
Amounts owed to associates	**353,511**	292,582
Corporation tax	**44,840**	-
Other taxation and social security	**160,056**	171,922
Obligations under finance lease and hire purchase contracts	**4,118**	5,975
Other creditors	**4,969**	1,942
Accruals and deferred income	**276,596**	221,886
	3,734,443	3,100,776

The hire purchase liabilities are secured over certain fixed assets of the company.

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

	2023 £	2022 £
Net obligations under finance leases and hire purchase contracts	-	4,118

The hire purchase liabilities are secured over certain fixed assets of the company.

15. Deferred taxation

	2023 £
At beginning of year	**7,505**
Charged to profit or loss	**8,308**
At end of year	**15,813**

The deferred taxation liability is made up as follows:

	2023 £	2022 £
Fixed asset timing differences	**15,993**	8,119
Short term timing differences	**(180)**	(614)
	15,813	7,505

16. Provisions

	Warranty provisions £
At 1 April 2022	**295,900**
Charged to profit or loss	**101,850**
Utilised in year	**(144,250)**
At 31 March 2023	**253,500**

The company has provided for expected costs to be incurred relating to potential warranty claims.

17. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
100,000 "A" ordinary shares of £1.00 each	**100,000**	100,000
100,000 "B" ordinary shares of £1.00 each	**100,000**	100,000
	200,000	200,000

The A and B ordinary shares have full rights in the company with respect to voting, dividends and capital distribution.

18. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

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

19. Other financial commitments

The company is part of an unlimited cross-guarantee for the bank debts of fellow subsidiaries. The borrowings of the fellow subsidiary companies under this guarantee at 31 March 2023 was £Nil (2022 - £545,067).

20. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounts to £46,728 (2022 - £45,424).

Contributions totalling £3,459 (2022 - £Nil) were payable to the fund at the statement of financial position date and are included in creditors.

21. Commitments under operating leases

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

	2023 £	2022 £
Not later than 1 year	**49,549**	44,067
Later than 1 year and not later than 5 years	**172,895**	31,563
Later than 5 years	**53,079**	-
	275,523	75,630

Operating lease rentals for land and buildings are payable to fellow group companies, but at the year end there was no formal lease commitment in place in respect of these and accordingly no commitment to disclose.

22. Related party transactions

Sales and purchases were made to and from a company which is an associate of the group the company is part of, totalling £203,273 (2022 - £197,144) and £3,286 (2022 - £4,723) respectively. At the statement of financial position date a debtor balance owing from this company amounting to £57,435 (2022 - £49,148) and a creditor balance owed to this company amounting to £553 (2022 - £1,050).

Sales and purchases were made to and from a company which is a joint venture of the group the company is part of, totalling £202,313 (2022 - £353,256) and £1,876,532 (2022 - £1,395,688) respectively. At the statement of financial position date a debtor balance owing from this company amounting to £54,870 (2022 - £89,572) and a creditor balance owed to this company amounting to £352,958 (2022 - £291,533).

During the year, sales of £614 (2022 - £7,633) and purchases of £44 (2022 - £2,300) were made to a sole trader business where a director is the proprietor

23. Controlling party

The immediate and ultimate parent company is Park Hall (Gosfield) Ltd, which is controlled by K T Ripper, a director. Park Hall (Gosfield) Ltd is incorporated in England and Wales, and its registered office is Unit 4-7 The Old Airfield, Gosfield, Halstead, CO9 1SA.

The smallest and largest group into which the results of the company for the 31 March 2023 year end are consolidated, is the group headed by Park Hall (Gosfield) Ltd. Copies of the consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

Park Hall (Gosfield) Ltd

Annual Report and Financial Statements

Year Ended

31 March 2023

Company Number 07351643

[redacted]

[redacted]

Park Hall (Gosfield) Ltd

Company Information

Directors	D Hills E J Ketley J L Ripper-Smith K T Ripper
Registered number	07351643
Registered office	Gosfield Business Park Units 4 - 7 The Old Airfield Gosfield Halstead Essex CO9 1SA
Independent auditor	BDO LLP First Floor, Franciscan House 51 Princes Street Ipswich Suffolk IP1 1UR

Park Hall (Gosfield) Ltd

Contents

Park Hall (Gosfield) Ltd

Group Strategic Report
For the Year Ended 31 March 2023

Introduction

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

Business review

This financial year has seen many market challenges once again as the economy continues to readjust after the effects of Covid lockdowns, financial restraints, and the war in Ukraine.

With the larger part of the group being involved with the manufacture and sale of vehicle transporters and the hiring of them to customers, the motor sector plays a big part of the group's activity. With a fluctuating vehicle market of available new vehicles, and seeing second hand vehicles becoming a premium, due to the continued struggle to obtain the micro processing chips required for each new vehicle build, this flows through to the manufacturing arm of the group.

The UK is still experiencing a shortage in the availability of new vehicles, which includes lorry units as well as cars. Consumers have extended their lease contracts as far as they could during the pandemic as they were not able to obtain a replacement vehicle, and now change has to happen. All of this has provided high demand for new vehicles as expected.

This financial year has seen another challenging trading period due to the war in Ukraine which affected supplies reaching Europe and shortages in many key elements. This resulted in the pricing of certain raw materials to increase wildly, which in turn affects the costs to produce products. On top of this we have seen record price increases in utility costs, which not only effects the working environment, but also the work force within the group causing living costs to rise and the subsequent impact on their households. As a site we have been fortunate with previous investments in green energy which has mostly powered the site during this time, which has helped to soften the overall impact on costs.

The group wish to always remain competitive, and not just on selling prices, but also with other employers in the area. This meant that the cost impact to the business was a negative one in order to keep knowledge and skills in place, and along with the material pricing, it was with regret that the pricing of the products also had to be addressed. Therefore, the increase in turnover reflected in the figures is met with a reduced margin due to a higher cost base.

The rental market has also been a challenge with turnover decreasing by around 15% on the previous period. This has mainly been due to contracts coming to an end, and customers purchasing rather than renting. Now with the increased costs of borrowing, the rental charges have to increase accordingly.

The group has continued to generate rental income from its investment properties, totalling £544,840 (2022 - £440,627), due to an increase in the number of tenants. It is anticipated that further enhancements and developments to the site will increase this further.

Turnover for the year was £24,891,699 (2022 - £21,794,708). Despite a challenging year there is an overall increase in revenue of 12% with a mix of higher margin revenue work and increased rental income, there has been an decrease in the gross profit margin of 2%. The statement of comprehensive income shows an operating profit of £1,111,865 (2022 - £1,204,103), primarily due to improvements in trade off of the back of the pandemic and a slight uplift in the economy. The overall profit before tax was £1,255,330 (2022 - £1,325,038). Shareholders funds at year end were £23,956,845 (2022 - £23,120,160).

Principal risks and uncertainties

The business review above explains certain commercial risks the group faces.

As much as possible the group looks to remain self-funded, and with the continued rising cost of borrowing this is more important for the group in the current trading times. However, there are unused debt facilities in place, and so debt serviceability of any monies borrowed by the group needs to be considered if utilised, and the sensitivity of this given the current market rates.

The objective of the group is to manage its financial risks as well as its other business risks with parameters agreed and approved by the directors. The group manages its cash and borrowing requirements in order to maximise interest income and minimise expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

The business is at risk from rising material costs as well as normal commercial risks to the industry and the economy. These risks include the degree of impact of the war in Ukraine on the market which it services as much as possible, the directors have considered the impact of this position along with the rising prices and potential effects on the business, which represent significant risks and uncertainties to the business, and sensitivity analysis has been performed based of anticipated trading positions as part of their going concern assessment, as explained within note 2.5 to the financial statements.

Future developments

Additional improvements to the site are constantly considered and implemented where appropriate to facilitate shareholder return, and to further enhance the group activities.

Further development of the site is being scoped so that the group can look to benefit further from additional companies who bring employment to the area and further improve the synergy across the board.

The war in the Ukraine has had a huge effect on the pricing and supply of many raw materials imported into Europe, but now we are starting to see some reductions coming through. However, this has now been more than negated with the cost of living in the UK and wage costs have had to increase to reflect this. Regarding the reliability of inward supplies to the manufacturing business for the manufacturing processes, with the spread of suppliers available to the business and stocks held, the business is able to trade for a period of around three months without requiring major components, which allows the business adequate time to source alternative suppliers.

It is expected in the medium to longer term that the new car market will come back to pre-COVID levels and demand for the larger car transporter products will improve. With the continued development of our smaller vehicle transporters, we have seen significant increases in demand for these in various specifications.

With the Governments continued efforts to progress the electric car market, these will make an impact on the future requirements for vehicle movements. With this in mind the business continues to look at expansion into alternative car transportation markets, and invest in R&D for the current models to provide the continuous improvements that our customers require.

The business has also looked to invest heavily in its team of employees to ensure that staff retention is at the forefront of our business model, and this will help achieve continued efficiencies, but with the cost of living increasing due to interest rate rises and inflation, this has been more difficult to achieve.

Financial and other key performance indicators

The key performance indicators of the group are as follows (£000's unless otherwise stated):

	2023 £000	2022 £000	Change %
Turnover	24,892	21,795	14
Gross profit	4,197	4,312	(3)
Gross profit %	17%	20%	(3)
Operating profit	1,112	1,204	(8)
Average head count (number)	83	78	6
Staff costs	2,731	2,637	4
Net assets	23,957	23,120	3
Net current assets	6,416	4,530	29

Financial instruments

The group's policy is to finance working capital through retained earnings and external bank borrowings at either fixed interest rates or prevailing market interest rates, and to finance some fixed assets through fixed rate borrowings for a term broadly expected to match the useful economic lives of the assets. The group finances the acquisition of subsidiaries through raising equity from shareholders.

Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The group is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through internal credit control procedures. The group's policies are aimed at minimising credit losses.

The directors perform a monthly review of the trade receivables ageing analysis to help manage credit risk from customers. The directors assess the recoverability of the debtor book at year end, considering factors such as payment history and credit worthiness, and where amounts are not considered recoverable, amounts are provided for. The directors ensure that management have close working relationships with their customer base, with a view to carefully assessing the creditworthiness and recoverability of trade debtors.

The company has amounts owed to it by group companies. The company is exposed to the usual credit risk and cash flow risk associated with having intercompany debts. The company manages this through monitoring and assessing the results and forecasts of the group entities from which the company is owed money.

Credit risk also arises from cash and cash equivalents and deposits with banks, financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted for holding cash balances. All of the cash balances are held with Barclays Bank PLC.

The group use main commercial banks as well as other financial institutions to provide finance leases over a fixed term.

Liquidity risk

Liquidity risk arises from the group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the group will encounter difficulty in meeting its financial obligations as they fall due.

The board reviews rolling 12 month cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial period, these projections indicated that the group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Market (price) risk and interest rate risk

The group, alongside its competitors, is exposed to fluctuation in certain purchased materials and manages this risk, so far as is possible, by having long term relationships with key suppliers that aim to bring a high degree of stability and certainty to material costs.

Market risk arises from the group's use of interest bearing financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), or other market factors (other price risk). The group is exposed to cash flow interest rate risk from long term bank borrowings which incorporate a fixed and variable rate.

Finance leases in place for the group are at a fixed commercial rate of interest and usually over a four to five year term.

Investment risk

As the company is a holding company its activities are limited to its investment in subsidiaries. As such it is exposed to risk of the value of the investment it holds. It manages the value of its investments through monitoring and assessing the impact of any changes in the business model.

The directors do not consider any other risks attaching to the use of financial instruments to be material to an assessment of its financial position or profit.

This report was approved by the board on 13th November 2023 and signed on its behalf.

D Hills
Director

Park Hall (Gosfield) Ltd

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 activity

The company's principal activity during the year was that of a holding company, incurring certain costs which are recharged to other group companies.

The group has subsidiary undertakings which undertake different activities. These include: the manufacture and sale of new and second-hand car transporters, metal structures and parts and the hiring out to customers of car transporters, which represent the principal activities of the group. The group also owns and operates an anaerobic digester, provides haulage services and receives rental income in relation to land and buildings leased to third parties which is held as investment property.

Results and dividends

The profit for the year, after taxation, amounted to £836,685 (2022 - £715,950).

During the year, dividends of £Nil (2022 - £Nil) were paid.

Directors

The directors who served during the year were:

D Hills
E J Ketley
J L Ripper-Smith
K T Ripper

Directors' responsibilities statement

The directors are responsible for preparing the annual report and 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 group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company and of the profit or loss of the group and company for that period.

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

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

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

Research and development activities

The group is actively engaged in product research and development in order to maintain its competitiveness.

Going concern

The group's business activities, together with the factors likely to affect its future development, its financial position, details of its financial instruments and its exposures to price, credit, liquidity and cash flow risk are described above and in the strategic report. The group has sufficient financial resources. As a consequence, the directors believe that the group is well placed to manage its business risks successfully.

The directors have assessed the going concern position of the company and group, as explained within note 2.5 to the financial statements.

After making enquiries, the directors have a reasonable expectation that the company and group has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Matters covered in the group strategic report

The directors have included a business review within the group strategic report. Also included in the group strategic report are details of the future developments of the group, the principal risks and uncertainties and a review of the key performance indicators as assessed by the directors.

Disclosure of information to auditor

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

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

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 13th November 2023 and signed on its behalf.

D Hills
Director

Opinion on the financial statements

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;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion on the financial statements

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

Independence

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group or 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 Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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 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, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Non-compliance with laws and regulations

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

we considered the significant laws and regulations to be Companies Act 2006 and UK tax legislation.

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

Our procedures in respect of the above included:
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:
- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

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

Fraud (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and revenue recognition.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias.

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

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Parent 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 Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Keith Ferguson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Ipswich
United Kingdom

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

Park Hall (Gosfield) Ltd

Consolidated Statement of Comprehensive Income
For the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	4	**24,891,699**	21,794,708
Cost of sales		**(20,694,288)**	(17,483,148)
Gross profit		**4,197,411**	4,311,560
Administrative expenses		**(3,085,546)**	(3,108,632)
Other operating income		**-**	1,175
Operating profit	5	**1,111,865**	1,204,103
Income from participating interests		**244,466**	244,627
Interest receivable and similar income	8	**15,169**	37
Interest payable and similar expenses	9	**(116,170)**	(123,729)
Profit before tax		**1,255,330**	1,325,038
Tax on profit	10	**(418,645)**	(609,088)
Profit for the financial year		**836,685**	715,950
Profit for the year attributable to:			
Owners of the parent company		**836,685**	715,950

There was no other comprehensive income for 2023 (2022 - £Nil).

The notes on pages 18 to 45 form part of these financial statements.

Park Hall (Gosfield) Ltd
Registered number:07351643

Consolidated Statement of Financial Position
As at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	11		**5,349,155**		5,943,509
Tangible assets	12		**11,053,017**		11,585,967
Investments	13		**1,001,267**		956,301
Investment property	14		**3,462,175**		3,462,175
			20,865,614		21,947,952
Current assets					
Stocks	15	**5,002,497**		3,839,559	
Debtors: amounts falling due within one year	16	**2,918,008**		3,217,549	
Cash at bank and in hand	17	**4,186,563**		4,066,219	
		12,107,068		11,123,327	
Current liabilities					
Creditors: amounts falling due within one year	18	**(5,691,369)**		(6,592,852)	
Net current assets			**6,415,699**		4,530,475
Total assets less current liabilities			**27,281,313**		26,478,427
Creditors: amounts falling due after more than one year	19		**(1,594,300)**		(1,774,017)
Provisions for liabilities					
Deferred tax	21		**(1,476,668)**		(1,288,350)
Other provisions	22		**(253,500)**		(295,900)
Net assets			**23,956,845**		23,120,160
Capital and reserves					
Called up share capital	23		**15,000,100**		15,000,100
Revaluation reserve	25		**478,862**		478,862
Profit and loss account	25		**8,477,883**		7,641,198
			23,956,845		23,120,160

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

D Hills
Director

The notes on pages 18 to 45 form part of these financial statements.

Park Hall (Gosfield) Ltd
Registered number:07351643

Company Statement of Financial Position
As at 31 March 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	12		**8,308**		24,661
Investments	13		**18,376,647**		17,776,647
			18,384,955		17,801,308
Current assets					
Debtors: amounts falling due within one year	16	**443,735**		347,888	
Cash at bank and in hand	17	**386,884**		881,467	
		830,619		1,229,355	
Current liabilities					
Creditors: amounts falling due within one year	18	**(147,400)**		(339,955)	
Net current assets			**683,219**		889,400
Net assets			**19,068,174**		18,690,708
Capital and reserves					
Called up share capital	23		**15,000,100**		15,000,100
Profit and loss account brought forward		**3,690,608**		3,194,518	
Profit for the year		**377,466**		496,090	
Profit and loss account carried forward			**4,068,074**		3,690,608
			19,068,174		18,690,708

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

D Hills
Director

The notes on pages 18 to 45 form part of these financial statements.

Park Hall (Gosfield) Ltd

Consolidated Statement of Changes in Equity
For the Year Ended 31 March 2023

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2022	15,000,100	478,862	7,641,198	23,120,160
Comprehensive income for the year				
Profit for the year	-	-	836,685	836,685
Total comprehensive income for the year	-	-	836,685	836,685
At 31 March 2023	15,000,100	478,862	8,477,883	23,956,845

Consolidated Statement of Changes in Equity
For the Year Ended 31 March 2022

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 April 2021	15,000,100	478,862	6,925,248	22,404,210
Comprehensive income for the year				
Profit for the year	-	-	715,950	715,950
Total comprehensive income for the year	-	-	715,950	715,950
At 31 March 2022	15,000,100	478,862	7,641,198	23,120,160

The notes on pages 18 to 45 form part of these financial statements.

Park Hall (Gosfield) Ltd

Company Statement of Changes in Equity
For the Year Ended 31 March 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2022	15,000,100	3,690,608	18,690,708
Comprehensive income for the year			
Profit for the year	-	377,466	377,466
Total comprehensive income for the year	-	377,466	377,466
At 31 March 2023	15,000,100	4,068,074	19,068,174

Company Statement of Changes in Equity
For the Year Ended 31 March 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 April 2021	15,000,100	3,194,518	18,194,618
Comprehensive income for the year			
Profit for the year	-	496,090	496,090
Total comprehensive income for the year	-	496,090	496,090
At 31 March 2022	15,000,100	3,690,608	18,690,708

The notes on pages 18 to 45 form part of these financial statements.

Park Hall (Gosfield) Ltd

Consolidated Statement of Cash Flows
For the Year Ended 31 March 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	**836,685**	715,950
Adjustments for:		
Amortisation of intangible assets	**594,354**	594,350
Depreciation of tangible assets	**1,362,808**	1,439,589
Profit on disposal of tangible assets	**(308,892)**	*(141,765)*
Interest paid	**116,170**	123,729
Interest received	**(15,169)**	(37)
Taxation charge	**418,645**	609,088
(Increase) in stocks	**(1,162,938)**	(705,204)
Decrease/(increase) in debtors	**282,810**	(338,780)
(Decrease)/increase in creditors	**(344,185)**	1,162,442
Decrease in provisions	**(42,400)**	(227,000)
Share of operating profit in associates	**(244,466)**	(244,627)
Corporation tax paid	**(81,352)**	(111,844)
Net cash generated from operating activities	**1,412,070**	2,875,891
Cash flows from investing activities		
Purchase of tangible fixed assets	**(908,156)**	(710,472)
Sale of tangible fixed assets	**1,321,626**	856,058
Interest received	**15,169**	37
Dividends received	**199,500**	232,500
Net cash generated from investing activities	**628,139**	378,123

Park Hall (Gosfield) Ltd

Consolidated Statement of Cash Flows (continued)
For the Year Ended 31 March 2023

	2023 £	2022 £
Cash flows from financing activities		
Repayment of shareholder loans	**(207,747)**	(652,808)
Repayment of finance leases	**(1,050,881)**	(1,121,415)
Interest paid	**(116,170)**	(123,729)
Net cash used in financing activities	**(1,374,798)**	(1,897,952)
Net increase in cash and cash equivalents	**665,411**	1,356,062
Cash and cash equivalents at beginning of year	**3,521,152**	2,165,090
Cash and cash equivalents at the end of year	**4,186,563**	3,521,152
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**4,186,563**	4,066,219
Bank overdrafts	**-**	(545,067)
	4,186,563	3,521,152

During the year there were non-cash movements related to obligations under finance leases: during the year the group entered into new finance leases in respect of assets with an initial value of £934,436 (2022 - £810,984).

The notes on pages 18 to 45 form part of these financial statements.

1. General information

Park Hall (Gosfield) Ltd is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the group's operations and its principal activities are set out in the directors' report.

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 judgement in applying the group's accounting policies (see note 3).

The company's functional and presentational currency is GBP. The level of rounding is to the nearest pound.

The following principal accounting policies have been applied:

2.2 Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available to qualifying entities:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the parent company would be identical;
- No cash flow statement or net debt reconciliation has been presented for the parent company;
- Disclosures in respect of the parent company's income, expense, net gains and net losses on financial instruments measured at amortised cost have not been presented as equivalent disclosures have been provided in respect of the group as a whole;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.
- the parent 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.

2. Accounting policies (continued)

2.3 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 statement of financial position, 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.

2.4 *Associates and joint ventures*

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

An entity is treated as a joint venture where the group is party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control.

In the consolidated accounts, interests in associated undertakings and joint ventures are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate, or joint venture. The consolidated statement of comprehensive income includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the consolidated statement of financial position, the interests in associated undertakings and joint ventures are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

2.5 Going concern

The directors have assessed the going concern position of the company and group.

There is an overdraft facility in place for use across the group, and an additional overdraft facility within one of the subsidiary companies, and the total drawn down on these at the year end by the group was £Nil (2022 - £545,067). These facilities are secured by a debenture given by the company over the assets of the company and group (including a fixed and floating charge), an unlimited guarantee given by the subsidiary companies, and a charge over the group property owned by its subsidiaries, at Unit 4-7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA.

The directors have prepared trading and cash flow forecasts and reviewed the group and company's trading and working capital requirements, and considered its financial resources. When preparing these forecasts, the impact of both COVID-19 (coronavirus) and Brexit on the business was considered.

Following this review, the company and group has sufficient financial resources. As a consequence, the directors believe that the group and company is well placed to manage its business risks successfully and the directors have every expectation that the group and company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

2. Accounting policies (continued)

2.6 Turnover

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

Sale of goods

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

- the 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 turnover 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

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

- the amount of turnover can be measured reliably;
- it is probable that the 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.

In respect of turnover and the recognition point regarding the group activities, the above criteria are usually considered to be met: For car transporters, upon completion of manufacture of the car transporter; for repairs and similar services, upon completion of the works; for the sale of parts and spares-upon dispatch of goods to the buyer; for the hire of car transporters, turnover is recognised over the period in which the hire occurred; turnover from the sale of second hand car transporters sold from stock is recognised upon the transfer of the rights and obligations to the customer; haulage sales are recognised in the period the haulage service is provided; property rental income and associated charges under operating leases are recognised in the month the service is provided.

The company recognises management income and related recharge income, which is recognised in the period to which it relates, which is the period in which the service is undertaken or provided.

2. Accounting policies (continued)

2.6 Turnover (continued)

The group has a subsidiary undertaking which manufactures car transporters. Another subsidiary hires out car transporters to customers (under operating leases), and it purchases those car transporters from its sister subsidiary company. Those intercompany transactions are eliminated on consolidation in these group accounts. In some instances, the subsidiary purchasing the car transporters from its sister subsidiary, will then finance that fixed asset addition by way of a finance lease. In that circumstance, the subsidiary selling the car transporter invoices the third-party finance company, which then separately enters into a finance lease with the other subsidiary company, which will then hire the car transporter out to a customer. In that circumstance, the sale made to third-party (the finance company) by the subsidiary manufacturing the car transporter is considered to result in that subsidiary (and the group) having crystallised any profit or loss on that sale for that subsidiary and the group.

Accordingly these transactions (the turnover and related cost of sale in the subsidiary manufacturing and selling the car transporter) are not required to be eliminated on consolidation in these group accounts. The turnover arising and recognised in the group financial statements under such transactions in the year, which has not been eliminated on consolidation, is £934,436 (2022 - £1,167,686).

2.7 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, included within administrative expenses, over its useful economic life of 15 years.

Brand

Brand is amortised on a straight line basis to the consolidated statement of comprehensive income, included within administrative expenses, over its useful economic life which is estimated to be 15 years.

The directors established a reliable estimate of the useful life of goodwill and the brand name intangible asset, based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. As explained above, they considered the useful lives of each of these assets to be 15 years.

2. Accounting policies (continued)

2.8 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.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Freehold land and assets under the course of construction are not depreciated.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant & machinery	- 3 - 20 years straight line
Hire fleet	- 2 - 9 years straight line from the date of registration
Motor vehicles	- 20% - 50% straight line
Fixtures, fittings and office equipment	- 20% - 50% 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.

Freehold property owned by subsidiaries, which is rented to other group subsidiaries, is accounted for by including them within property, plant and equipment and applying the cost model.

Profit or loss on disposals of fixed assets are included within cost of sales for hire fleet assets, and within administrative expenses for other assets.

2.9 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2. Accounting policies (continued)

2.10 Investment property

The group carries its investment property at fair value, with changes in fair value being recognised in profit or loss. The directors determine the fair value at 31 March 2022 and 31 March 2023. In making this determination, the directors made reference to two valuations performed in March 2017 (for other purposes) in relation to the groups freehold land and buildings, performed by independent valuation specialists (RICS registered valuers) on a freehold interest open market value basis (and using market based evidence), to assist them in determining the fair value at the later year ends of 31 March 2018, 31 March 2019, 31 March 2021, 31 March 2022 and 31 March 2023, and the directors made appropriate adjustments for expectations of property value changes up to those later year end dates. Investment property includes properties in the course of construction at the year end, and directors valuation of the fair value of those properties is based on the expectation of the freehold interest open market value the property less deductions for the costs required to complete the project, and appropriate adjustments for profit and risk.

Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the statement of financial position date.

Deferred tax is recognised in respect of investment property fair value gains and losses recognised.

For changes in the fair value of investments properties recognised in the profit or loss for the period, a subsequent transfer is made in equity to reallocate any revaluations (net of deferred tax) to the revaluation reserve from the profit and loss reserve to record these items within a separate reserve in equity.

2.11 Valuation of investments

Unlisted investments held as fixed assets are shown at cost less provision for impairment. Investments in subsidiaries are measured at cost less accumulated impairment. Loans to group companies held as fixed asset investments are shown at the loan amount less provision for any amount not expected to be recovered. Any such provisions against unlisted investments or loans to group companies are included within amounts written off investments.

2.12 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 reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the consolidated statement of comprehensive income.

2. Accounting policies (continued)

2.13 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable. are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost. unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2. Accounting policies (continued)

2.14 Foreign currency translation

Functional and presentation currency

The group'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 resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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'.

2.15 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.

Amounts paid and payable as an incentive to sign an operating lease are recognised as a reduction to income over the lease term on a straight line basis, unless another systematic basis is representative of the time pattern over which the lessor's benefit from the leased asset is diminished.

2.16 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.

2.17 Leased assets: the group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2. Accounting policies (continued)

2.18 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 the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

2.19 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 reporting 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 statement of financial position.

2.20 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 reporting 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 statement of financial position, 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 reporting date.

2. Accounting policies (continued)

2.21 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

Preparation of financial statements requires management to exercise judgement in applying the group's accounting policies. Estimates and assumptions used in the preparation of the financial statements are continually reviewed as necessary.

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as a lessee are operating leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.
- Determine whether debtors are recoverable. Consideration is made of any objective evidence of impairment of any financial assets that are measured at cost or amortised cost, including observable data that come to the attention of the group or other factors which may also be evidence of impairment, including changes with an adverse effect that have taken place in the technological, market, economic or legal environment in respect of that financial asset.
- Determine whether the warranty provision recognised in respect of after sales warranties issued to customers represents an accurate estimation of the potential liability. Factors taken into consideration include anticipated claim volumes under the warranty scheme and past experience in respect of the nature and value of these claims.
- Determine the fair value of investment properties. Reference is made to market based evidence where possible.

Other key sources of estimation uncertainty

- Goodwill and intangible assets (see note 11)

  The group also establishes the fair value of assets and liabilities acquired as part of business combinations, and this also includes the identification of intangible assets arising on business combinations, which are determined using valuation techniques. The group also establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life.

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

- Tangible fixed assets (see note 12)

  Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- Fixed asset investments (see note 13)

  Estimates, assumptions and judgements relate to the determination of carrying value of unlisted investments and loans owed from group undertakings. In determining this amount, the investment is tested for impairment.

- Stock valuation and provision (see note 15)

  The group applies standard costing in its valuation of finished goods and work in progress. There is a degree of estimation involved in assessing the inputs and calculations to arrive at the standard costs for each product that makes up the year end stock value. These include estimates such as direct labour time and rates, average price of materials relevant to the respective item in stock at the year end, wastage at each stage of production and the proportion of relevant overheads to be absorbed.

  The group records a provision for stock with reference to the items obsolescence, as well as based on the last time the stock item was used in production.

- Provisions (see note 22)

  Provisions are estimated based on historic experience and trends, the actual claims made under the warranty scheme depend on a number of factors. In determining the warranty provision previous claim proportions and values of claims are compared against current products and the likelihood of a claim being made, considering the stage at which the sale is within the warranty period.

4. Turnover

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

	2023 £	2022 £
Sale of transporters	**18,928,224**	13,830,208
Hire of transporters	**2,057,569**	2,382,487
Bodyswap sales	**98,006**	1,289,066
Sale of spare parts	**2,436,259**	2,174,017
Other sales, repairs, reworks sales and other turnover	**826,801**	1,678,303
Rental income from investment properties	**544,840**	440,627
	24,891,699	21,794,708

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation of tangible fixed assets - owned by the group	**718,949**	828,106
Depreciation of tangible fixed assets - leased by the group	**643,859**	611,483
Amortisation of intangible fixed assets	**594,354**	594,350
Exchange differences	**(15)**	(6)
Defined contribution pension cost	**82,234**	51,140
Other operating lease rentals	**54,717**	48,568
Fees payable to the company's auditor for the audit of the company's annual accounts	**29,376**	24,728
Fees payable to the company's auditor for other services to the group:		
- The audit of the company's subsidiaries pursuant to legislation	**37,422**	31,500
- Taxation compliance services	**9,135**	8,453
- Other non-audit services	**20,264**	18,423
	66,821	58,376

6. *Employees*

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	**2,408,344**	2,364,215	**252,964**	250,410
Social security costs	**240,021**	221,301	**34,074**	34,893
Cost of defined contribution scheme	**82,234**	51,140	**35,506**	5,716
	2,730,599	2,636,656	**322,544**	291,019

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

	Group 2023 No.	Group 2022 No.	Company 2023 No.	Company 2022 No.
Production	**59**	53	2	1
Management and administration	**24**	25	6	6
	83	78	8	7

7. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	**237,050**	291,952
Group contributions to defined contribution pension schemes	**3,963**	5,284
	241,013	297,236

During the year retirement benefits were accruing to 3 directors (2022 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £89,434 (2022 - £91,436).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,321 (2022 - £1,321).

8. Interest receivable

	2023 £	2022 £
Other interest receivable	**15,169**	37

9. Interest payable and similar expenses

	2023 £	2022 £
Finance leases and hire purchase contracts	**116,170**	123,729

10. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	**210,476**	200,118
Adjustments in respect of previous periods	**19,851**	(6,089)
Total current tax	**230,327**	194,029
Deferred tax		
Origination and reversal of timing differences	**170,137**	421,379
Deferred tax reversal on previous years business combinations	**18,665**	(10,133)
Prior year	**(484)**	3,813
Total deferred tax	**188,318**	415,059
Taxation on profit on ordinary activities	**418,645**	609,088

10. *Taxation (continued)*

Factors affecting tax charge for the year

The tax assessed for the year is higher 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	**1,255,330**	1,325,038
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	**238,513**	251,757
Effects of:		
Fixed asset differences	**21,987**	20,194
Expenses not deductible for tax purposes	**12,801**	7,687
Amortisation of intangible assets	**112,927**	112,927
Adjustments to tax charge in respect of previous periods	**19,851**	(6,089)
Other timing differences leading to an increase in taxation	**-**	2,407
Chargeable gains	**-**	60
Share of profit in associate	**(46,449)**	(46,479)
Adjustments to deferred tax in respect of previous periods	**(484)**	(8,006)
Other differences leading to an increase in the tax charge	**-**	(119)
Deferred tax on reversal of previous business combination	**18,665**	(10,133)
Remeasurement of deferred tax for changes in tax rates	**40,834**	284,882
Total tax charge for the year	**418,645**	609,088

Factors that may affect future tax charges

The March 2021 Budget announced an increase to the main rate of corporation tax to 25% from April 2023. This rate has been substantively enacted at the statement of financial position date. As a result deferred tax balances at 31 March 2023 are measured at 25%

11. Intangible assets

Group

	Brand Name £	Goodwill £	Total £
Cost			
At 1 April 2022	800,000	8,115,259	8,915,259
At 31 March 2023	800,000	8,115,259	8,915,259
Amortisation			
At 1 April 2022	266,665	2,705,085	2,971,750
Charge for the year	53,335	541,019	594,354
At 31 March 2023	320,000	3,246,104	3,566,104
Net book value			
At 31 March 2023	480,000	4,869,155	5,349,155
At 31 March 2022	533,335	5,410,174	5,943,509

Goodwill and the Brand Name intangible asset arose from the acquisition of Transporter Engineering Limited on 31 March 2017. The remaining amortisation period at 31 March 2023 was 9 years.

All goodwill relates to the group. The company does not have any intangible assets.

12. Tangible fixed assets

Group

	Freehold property £	Fixtures, fittings and office equipment £	Plant & machinery £	Hire fleet £	Motor vehicles £	Total £
Cost						
At 1 April 2022	**3,433,856**	**130,004**	**2,481,394**	**11,890,581**	**122,302**	**18,058,137**
Additions	**177,706**	**15,439**	**30,391**	**1,599,061**	**19,995**	**1,842,592**
Disposals	**(1,367)**	**(54,863)**	**(25,402)**	**(2,997,128)**	**-**	**(3,078,760)**
At 31 March 2023	**3,610,195**	**90,580**	**2,486,383**	**10,492,514**	**142,297**	**16,821,969**
Depreciation						
At 1 April 2022	**363,536**	**111,182**	**625,844**	**5,278,981**	**92,627**	**6,472,170**
Charge for the year	**108,392**	**10,958**	**147,796**	**1,061,095**	**34,567**	**1,362,808**
Disposals	**86**	**(54,863)**	**(21,274)**	**(1,989,975)**	**-**	**(2,066,026)**
At 31 March 2023	**472,014**	**67,277**	**752,366**	**4,350,101**	**127,194**	**5,768,952**
Net book value						
At 31 March 2023	**3,138,181**	**23,303**	**1,734,017**	**6,142,413**	**15,103**	**11,053,017**
At 31 March 2022	3,070,320	18,822	1,855,550	6,611,600	29,675	11,585,967

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

	2023 £	2022 £
Hire fleet	**3,832,409**	4,298,205

Hire fleet fixed assets are held for use in operating leases.

Included within cost of sales is a profit of £305,672 (2022 - £137,389) in relation to disposal of hire fleet assets.

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

Company

	Motor vehicles £	Fixtures, fittings and office equipment £	Total £
Cost			
At 1 April 2022	58,685	20,566	79,251
Disposals	-	(763)	(763)
At 31 March 2023	58,685	19,803	78,488
Depreciation			
At 1 April 2022	34,315	20,275	54,590
Charge for the year	16,062	291	16,353
Disposals	-	(763)	(763)
At 31 March 2023	50,377	19,803	70,180
Net book value			
At 31 March 2023	8,308	-	8,308
At 31 March 2022	24,370	291	24,661

13. Fixed asset investments

Group

	Investments in associates £	Investment in joint ventures £	Total £
Cost			
At 1 April 2022	924,256	32,045	956,301
Dividends received	(199,500)	-	(199,500)
Share of profit	244,466	-	244,466
At 31 March 2023	969,222	32,045	1,001,267

Company

	Unlisted investments including subsidiaries £	Loans to subsidiaries £	Total £
Cost			
At 1 April 2022	12,699,379	5,201,423	17,900,802
Additions	-	600,000	600,000
At 31 March 2023	12,699,379	5,801,423	18,500,802
Impairment			
At 1 April 2022	121,506	2,649	124,155
At 31 March 2023	121,506	2,649	124,155
Net book value			
At 31 March 2023	12,577,873	5,798,774	18,376,647
At 31 March 2022	12,577,873	5,198,774	17,776,647

For the company, unlisted investments includes: a cost of investment of £5,000 (2022 - £5,000) in relation to the joint venture held by the company; £70,365 (2022 - £70,365) at cost in relation to the associate held by the company. The remainder of unlisted investments relates to the cost of investments in subsidiaries.

13. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiaries of the company:

Name	Registered office	Class of shares	Holding
Transporter Engineering Limited	Units 4-7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA	Ordinary	100%
Transporter Sales & Hire Limited	Units 4-7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA	Ordinary	100%
Toppesfield Hall Limited	Units 4-7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA	Ordinary	100%
Ripper Farms Ltd	Units 4-7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA	Ordinary	100%
Park Hall Property Holdings Ltd	Units 4-7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA	Ordinary	100%

The results of all subsidiaries have been included within this consolidation. All subsidiaries are directly owned.

Of the above subsidiaries, Toppesfield Hall Limited (company number 02451076), Ripper Farms Ltd (company number 09782535) and Park Hall Property Holdings Ltd (company number 10532094), which are included in these consolidated financial statements, are entitled to, and have opted to take, the exemption from the requirement for their individual accounts to be audited, under S479A of the Companies Act 2006 relating to these subsidiary companies.

Joint venture

The following was a joint venture of the company:

Name	Registered office	Holding
Hunwick Engineering Limited	Maple Unit Gosfield Business Park, The Old Airfield, Gosfield, Essex, CO9 1SA	50%

There was no commitment in relation to the joint-venture at the year end beyond the cost of investment made at the year end. The shares are held directly by the parent company.

Associate

The following was an associate of the company (the shares are held directly by the parent company):

Name	*Registered office*	*Class of shares*	*Holding*
CTS (Corby) Limited	3 Princewood Road, Earlstree Industrial Estate, Corby, Northants, NN17 4AP	Ordinary	50%

Park Hall (Gosfield) Ltd

Notes to the Financial Statements
For the Year Ended 31 March 2023

14. Investment property

Group

	Freehold investment property £
Valuation	
At 1 April 2022	**3,462,175**
At 31 March 2023	**3,462,175**

The 2023 valuations were made by directors, on an open market value for existing use basis.

Refer to note 2.10 for further information on how the directors arrived at the investment property valuation at the year end.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2023 £	2022 £
Historic cost	**2,886,249**	2,886,249

15. Stocks

	Group 2023 £	Group 2022 £
Work in progress (goods to be sold)	**860,967**	389,757
Raw materials, finished goods and goods for resale	**4,141,530**	3,449,802
	5,002,497	3,839,559

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

The impairment loss recognised in cost of sales in the consolidated statement of comprehensive income for the period in respect of provision for inventory was £91,752 (2022 - £4,425).

16. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	**2,325,962**	2,668,926	**-**	5,640
Amounts owed by group undertakings	**-**	-	**57**	152
Amounts owed by joint ventures and associated undertakings	**501,764**	432,243	**322,079**	195,000
Other debtors	**15,055**	15,352	**2,176**	1,006
Prepayments and accrued income	**75,227**	84,351	**606**	910
Tax recoverable	**-**	16,677	**-**	8,728
Deferred taxation (see note 22)	**-**	-	**118,817**	136,452
	2,918,008	3,217,549	**443,735**	347,888

17. Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash at bank and in hand	**4,186,563**	4,066,219	**386,884**	881,467
Less: bank overdrafts	**-**	(545,067)	**-**	-
	4,186,563	3,521,152	**386,884**	881,467

18. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank overdrafts	-	545,067	-	-
Trade creditors	**2,088,919**	2,499,237	**1,710**	7,169
Amounts owed to group undertakings	-	-	-	163
Amounts owed to associates and joint ventures	**353,511**	292,582	-	-
Corporation tax	**132,298**	-	**23,991**	-
Other taxation and social security	**423,953**	408,774	**9,718**	8,258
Obligations under finance lease and hire purchase contracts	**1,006,708**	943,436	-	-
Other creditors	**1,249,664**	1,465,813	**36,193**	243,920
Accruals and deferred income	**436,316**	437,943	**75,788**	80,445
	5,691,369	6,592,852	**147,400**	339,955

Hire purchase and finance leases are secured on the assets to which they relate, along with being secured by a right to the interests in the operating leases which the company grants to its customers under operating leases for car transporters.

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Net obligations under finance leases and hire purchase contracts	**1,594,300**	1,774,017	-	-

Hire purchase and finance leases are secured on the assets to which they relate, along with being secured by a right to the interests in the operating leases which the company grants to its customers under operating leases for car transporters.

20. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2023 £	Group 2022 £
Within one year	**1,006,708**	943,436
Between 1-5 years	**677,547**	838,230
Over 5 years	**916,753**	935,787
	2,601,008	2,717,453

21. Deferred taxation

Group

	2023 £	2022 £
At beginning of year	**1,288,350**	873,290
Charged to profit or loss	**188,318**	415,060
At end of year	**1,476,668**	1,288,350

Company

	2023 £	2022 £
At beginning of year	**(136,452)**	(122,059)
Charged to profit or loss	**17,635**	(14,393)
At end of year	**(118,817)**	(136,452)

The provision for deferred taxation is made up as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Accelerated capital allowances	**1,218,234**	1,045,899	**(118,817)**	(136,452)
Arising on business combinations in previous years	**120,000**	101,333	**-**	-
Other short term timing differences	**(5,547)**	(614)	**-**	-
Capital gain and losses	**143,981**	141,732	**-**	-
	1,476,668	1,288,350	**(118,817)**	(136,452)

22. Provisions

Group

	Warranty provisions £
At 1 April 2022	**295,900**
Charged to profit or loss	**101,850**
Utilised in year	**(144,250)**
At 31 March 2023	**253,500**

The group has provided for expected costs to be incurred relating to potential warranty claims.

23. Share capital

	2023 £	2022 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	**100**	100
3,000,000 A redeemable preference shares of £1 each	**3,000,000**	3,000,000
12,000,000 B redeemable preference shares of £1 each	**12,000,000**	12,000,000
	15,000,100	15,000,100

Ordinary shares have full voting rights and rank pari passu with all other classes of shares in the company in respect of the right to receive a dividend. Ordinary shares rank behind the A redeemable preference shares and B redeemable preference shares in respect of any distribution of the capital of the company.

A & B redeemable preference shares hold no voting rights and rank pari passu with all other classes of shares in the company in respect of the right to receive a dividend. A & B redeemable preference shares are redeemable at the option of the company in accordance with the articles of association and entitle the holder to be paid first on a return of capital on liquidation or otherwise, a sum equal to the amount credited as paid up (including any premium) on the same.

24. Other financial commitments

The company is part of a cross-guarantee for the bank debts of the company and its subsidiaries. The amount owed by the company and subsidiary undertakings under these facilities at 31 March 2023 was £Nil (2022 - £545,067). These borrowings are also secured by a debenture given by the company over the assets of the parent company and group (including a fixed and floating charge) and by a charge over the group property owned by its subsidiaries, at Units 4 - 7 The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA.

25. Reserves

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

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

Revaluation reserve

The revaluation reserve represents cumulative changes in the fair value of investments properties recognised in the profit or loss. A subsequent transfer is made in equity each year to reallocate any revaluations, net of any deferred tax effect from the profit and loss reserve to record these items within a separate revaluation reserve in equity.

26. 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 £82,234 (2022 - £51,140). Contributions totalling £6,058 (2022 - £1,069) were payable to the fund at the reporting date.

27. Commitments under operating leases

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

	Group 2023 £	**Group 2022 £**
Not later than 1 year	**49,549**	44,067
Later than 1 year and not later than 5 years	**172,895**	31,563
Later than 5 years	**53,079**	-
	275,523	75,630

28. Operating lease agreements where the group is lessor

The group holds a Hire Fleet of car transporters and vehicles, as disclosed in note 12, which are let to third parties. These non-cancellable leases have remaining terms of between up to 1 year, through to 5 years.

The group holds investment properties as disclosed in note 14 which are let out. These non-cancellable leases have remaining terms of 1-2 years.

Total future minimum rentals receivable under these non-cancellable operating leases are as follows:

	2023 £	2022 £
Not later than 1 year	**1,201,671**	1,021,456
Later than 1 year and not later than 5 years	**1,954,961**	1,348,576
	3,156,632	2,370,032

29. Analysis of net debt

	At 1 April 2022 £	Cash flows £	New finance leases £	At 31 March 2023 £
Cash at bank and in hand	**4,066,219**	**120,344**	**-**	**4,186,563**
Bank overdrafts	**(545,067)**	**545,067**	**-**	**-**
Shareholder loans	**(1,242,851)**	**207,747**	**-**	**(1,035,104)**
Finance leases	**(2,717,453)**	**1,050,881**	**(934,436)**	**(2,601,008)**
	(439,152)	**1,924,039**	**(934,436)**	**550,451**

Non-cash movements relate to:

- Obligations under finance leases: during the year the group entered into new finance leases in respect of assets with an initial value of £934,436 (2022 - £810,984).

30. Related party transactions

During the year, the group traded with a sole trade business in which a director is the owner. Included within trade debtors at the year end is £83 (2022 - £793) in relation to sales made of £20,929 (2022 - £49,736). Included within trade creditors at the year end is £Nil (2022 - £Nil) in relation to purchases made of £148,425 (2022 - £192,637).

At the year end, the group owed a shareholding director £1,035,104 (2022 - £1,242,383) in respect of loans made to the group, included within other creditors. No interest was charged on this loan and there was not fixed terms for repayment.

During the year, the group traded with a joint controlled entity/joint venture in which the group has 50% control. Included within amounts owed by joint ventures and associated undertakings at year end is £442,168 (2022 - £432,243) in relation to sales made of £468,013 (2022 - £591,680). Included within amounts owed to joint ventures and associated undertakings at the year end is £352,958 (2022 - £291,533) in relation to purchases made of £1,876,798 (2022 - £1,396,568).

During the year, the group traded with an associate in which the group has 50% control. Included within amounts owed by joint ventures and associated undertakings at the year end is £59,514 (2022 - £50,348) in relation to sales made of £444,220 (2022 - £268,887). Included within amounts owed to joint ventures and associated undertakings at the year end is £553 (2022 - £1,049) in relation to purchases made of £5,319 (2022 - £4,723). The group earned a share of profit from the associate of £244,466 (2022 - £244,627), and received dividends of £199,500 (2022 - £232,500).

Key management personnel are considered to be the directors of the company who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £386,862 (2022 - £297,236).

31. Controlling party

The directors consider the ultimate controlling party to be K Ripper, by virtue of his shareholding in the company.

The consolidated accounts of Park Hall (Gosfield) Ltd are the smallest and largest group into with the results of the company for the year ended 31 March 2023 are consolidated. Copies of the consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.