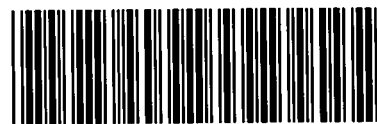


**REGISTERED NUMBER: 05041054 (England and Wales)**

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023  
FOR  
MORRIS & COMPANY (SHREWSBURY) LIMITED**

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**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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FOR THE YEAR ENDED 31 MARCH 2023**

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**MORRIS & COMPANY (SHREWSBURY) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2023**

**DIRECTORS:**

R C Morris  
C W Morris

**SECRETARY:**

L P O'Loughlin

**REGISTERED OFFICE:**

Welsh Bridge  
Shrewsbury  
Shropshire  
SY3 8LH

**REGISTERED NUMBER:**

05041054 (England and Wales)

**AUDITORS:**

WR Partners  
Chartered Accountants & Statutory Auditors  
Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

The directors present their strategic report of the company and the group for the year ended 31 March 2023.

**REVIEW OF BUSINESS**

The results for the year and financial position are as shown in the financial statements.

Turnover for the year rose to £63.9m (2022: £63.2m), with an operating profit of £1.8m (2022: £3.2m). Profit for the financial year (after exceptional items, other income, interest and taxation) was £0.3m (2022: £0.6m).

The Group enjoyed a step change in January 2023 with the successful disposal of Morris Care Limited after some 40 years in the industry, which followed the earlier disposal of the generator & welder business by Morris Site Machinery Limited. This funded a welcome significant debt reduction in the context of interest rate rises.

**MORRIS & COMPANY LIMITED, MORRIS & COMPANY (SHREWSBURY) LIMITED  
AND MORRIS PROPERTY LIMITED**

Construction and Property Development activities experienced fiscal challenges due to increasing inflation and interest rate rises. Turnover from external sources increased by 5% to £36m (2022: £34m).

There were significant cost increases from supply chains (still recovering from COVID restrictions) which had a significant impact on profitability of a number of our contracts but reassuringly the dawning of the new financial year has heralded stability in those prices together with healthier margins.

The pipeline of new sites is strong, and the Group is able to be discerning in its selection of external contracts. Property portfolio continues to deliver strong results with minimal voids and the sale of portfolio assets. Rental income was only down c£0.1m on the previous year.

Disposal of developments in the period was below budget, as underlying market conditions informed a decision to retain certain properties pending an improvement in the property cycle. Paragon Point, the remaining Access 442 units, Unit 1 Commercial Street and 5-7 St. Austins were all successfully sold during the year.

In line with Group business plans we continue to augment our own internal projects with carefully selected external contacts. This strategy means that our excellent construction teams are able to fulfil the development aspirations of Morris & Company Limited. Our sites at Stadium Point, Hortonwood 45 and Ketley will generate value for the business over the coming years.

The regular pattern of governance meetings in each trading activity and at overall Group level enables the Board to monitor performance against budget aspirations, key performance indicators and ensure adherence to our corporate values. Independent Health & Safety consultants continue to advise, report and audit performance to ensure full compliance. We continue to acknowledge and reward employee loyalty and it is heartening to see the number of long service awards made of 5, 10, 15 and 20 plus years. Success is always a team effort and we have a number of enthusiastic teams of volunteers on our charities and corporate responsibility committees.

All in all, a challenging year, but one which sees us looking forward with optimism.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**MORRIS SITE MACHINERY LIMITED**

The business traded on a reduced basis in the financial period following the impact of the COVID 19 pandemic and the resultant sale of trade and assets related to the lighting tower business.

Domestic demand for products was strong, but global supply chains continued to be under pressure, with component shortages impacting the volume of welders and generators our Japanese manufacturers could supply.

The Japanese Yen exchange rate continued to hold in our favour, which meant the margin on our imported products was strong.

On 1 August 2022, the business disposed of certain trade and assets related to the generator, welder, water pump, and pressure washer business and as such has ceased trading activity.

As a result, turnover fell to £3.3m (2022: £6.3m). Operating profit (after allowing for exceptional items) totalled £8k (2022: £906k).

**MORRIS CARE LIMITED**

On 9 January 2023, Morris & Company (Shrewsbury) Limited disposed of its entire shareholding in Morris Care Limited.

We saw significant growth in our occupancy and fees in the period, with average occupancy increasing 14% and turnover increasing 29% over the same period in 2022.

COVID19 impacted on the labour market with increased costs and scarcity of carers and nurses in the care sector. Labour costs increased by 28% over the period, driven mainly by use of agency staff and the cost of recruiting overseas to bridge the staffing gap. The war in Ukraine and the after effects of COVID19 fuelled cost inflation across the board, but particularly in energy and food.

The result saw our gross margins erode from 37% to 31% in the period, with operating profit before exceptional items reduced from 16% to 10%.

**MORRIS PENSION SCHEME**

The directors are pleased to report that the Scheme remains in surplus in these accounts with a reported surplus adopting UK Financial Reporting Standards of £14.4m (2022: £17.3m).

Pensions remain topical with yet more regulatory initiatives expected. The Morris Group is always mindful of its responsibilities to the Pension Scheme to ensure that promises are met. The Group Board receives monthly updates from the Pension Scheme Chairman or Secretary. The policy of investing to achieve the objective of providing sufficient long term capital growth and income flow to meet liabilities towards existing and future beneficiaries continues.

In 2017/18 the Trustee implemented 'Liability Driven Investment' (LDI), an investment that is structured to largely move in the same direction as scheme liabilities when interest rates change. This has had the effect of substantially locking in the surplus showing in the scheme accounts. The Trustee also continues to hold direct property investments which employs the talents of Morris & Company Limited to manage assets, thus providing a rental income stream to fund a large proportion of recurring pension scheme liabilities.

The Scheme's funds are invested with the benefit of advice from investment managers at Quantum Advisory.

We remain vigilant with regard to the performance of the assets of the Pension Scheme, and risk management opportunities to ensure that there is no future adverse impact on Shareholder value.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**STATEMENT BY THE DIRECTORS UNDER S172(1) COMPANIES ACT 2006 (S172(1))**

We report here under The Companies (Miscellaneous Reporting) Regulations 2018 to explain how the Board has considered the interests of key stakeholders, and the broader matters set out in s172 when performing their duty to promote the success of the Company under s172.

The following s172 statement focusses on matters of strategic importance to the Morris & Company (Shrewsbury) Limited Group, and the level of information disclosed is consistent with the size and complexity of the business. The following Group statements should be read together with the Chairman's and Group Strategic Report which further expand on matters relevant to each business segment.

The Board consider both individually, and together, that they have acted in a way that they consider would be most likely to promote the success of the Company for the benefit of its shareholders (having regard to the stakeholder and matters set out in s172), in decisions taken during the year ended 31 March 2023.

**Strategy**

Our business plans are designed to have a long-term beneficial impact on the Company and to contribute to a delivery of quality finished products and services.

**Staff**

Our staff are fundamental to the delivery of our plans. We aim to be a responsible employer in our approach to the pay and benefits our team members receive. The health, safety and wellbeing of our team members is one of our primary considerations in the way we do business. Please see the Directors' Report for further information on employee involvement.

**Customers**

Engagement with our customers is key to our success. We meet with all regularly and are flexible to changing business environment needs whilst applying the most up to date regulations.

**Suppliers**

We engage with our suppliers regularly, developing relationships through our due diligence processes that ensure suppliers trade responsibly, whilst minimising risk to the supply chain. We aim to pay suppliers on time wherever possible, and do not tolerate modern slavery, corruption, or bribery.

**Environment and Community**

We take account of the impact of our operations on the community and environment, and our wider social responsibilities, and we comply with environmental legislation and pursue waste saving opportunities wherever possible.

**Generally**

Both individually and as a Board our intention is to behave responsibly, operating within the highest standards of business conduct and good governance.

**ON BEHALF OF THE BOARD:**



R C Morris - Director

11 December 2023

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2023**

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

**DIVIDENDS**

Dividends of £nil (2022: £nil) were paid during the year.

**RESEARCH AND DEVELOPMENT**

We continue to maintain our premium positioning in the market place and remain committed to investing in research and new product development to ensure we remain ahead of our competition for innovation.

**ENVIRONMENTAL MATTERS**

The Group has adopted a policy on the impact of its activities upon the environment. We are committed to ensuring that we work with our customers, suppliers and employees to ensure that we minimise the adverse effects of our activities on the environment.

**FUTURE DEVELOPMENTS**

The directors plan to continue the development of the Group and its business. Refer to the Chairman's and Group Strategic Reports for further information.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

R C Morris  
C W Morris

**DONATIONS**

Charitable donations during the period amounted to £10,102 (2022: £10,066).

**EMPLOYEE INVOLVEMENT**

As shareholders will be aware, the group places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them.

The Group newsletter, published every six months, contains news and features on developments within the group as a whole.

The Group encourages the acquisition of shares by employees and operates a savings scheme to facilitate this process. In addition, Morris's Employees' Discretionary Trust, whose funds are invested primarily in company shares, makes distributions to eligible employees.

**DISABLED EMPLOYEES**

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees. The Group does not discriminate on the grounds of disability or on the grounds of sexual orientation, age or religious belief.

**QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

The Group granted an indemnity to all the Directors against liability in respect of proceedings brought by third parties. Such qualifying third party indemnity provision remains in force as at the date of approving the Report of the Directors.

**STREAMLINED ENERGY AND CARBON REPORTING**

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2023**

The Group is large as defined by the Companies Act and as such is required to report annually on energy use and carbon emissions under the new 'Streamlined Energy and Carbon Reporting' (SECR) framework.

**Executive summary**

We report for the year ended 31 March 2023 the following:

- total energy 6,222,627 kWh (2022: 8,142,994 kWh)
- total greenhouse gas emissions 1,260 tCO<sub>2</sub>e (2022: 1,696 tCO<sub>2</sub>e)

**Organisation boundary**

The Group comprises of circa 120 sites for which Morris are responsible for the energy use. The portfolio for the year under review is made up of Care Homes, Morris Site Machinery sites, a Head Office and estate properties and sites, all located within the UK.

**Energy and greenhouse data**

The Group has chosen to report on the following key items within their environmental boundary:

- Scope 1 - gas consumption, transport (company vehicles) and fuel combustion (process fuels e.g. burning oil, propane, kerosene etc)
- Scope 2 - electricity consumption
- Scope 3 - transport (grey fleet)

Scope	Activity	Annual energy (kWh)		Annual carbon emission (tCO <sub>2</sub> e)	
		2023	2022	2023	2022
1	Building energy - gas	2,590,120	3,820,333	472	700
2	Building energy - electricity	1,731,269	2,126,386	331	451
1	Transport Company fleet - diesel	763,579	787,760	181	187
1	Transport Company fleet - unleaded	2,028	1,804	0.5	0.37
1	Transport bunkered fuel	487,943	173,892	116	44
3	Transport grey fleet - expensed mileage	51,925	125,365	12	32
1	Process fuels	595,763	1,107,455	147	282
Totals		6,222,627	8,142,994	1,260	1,696

**Intensity metrics**

We report energy emissions per £m turnover as follows:

- energy (kWh) per £m turnover 97,393 kWh (2022: 128,845 kWh)
- carbon emissions (tCO<sub>2</sub>e) per £m turnover 20 (2022: 27)

**Energy efficiency measures**

The following points outline some of the key areas of investment and improvement measures implemented within the reported financial year:

- Morris and Company have continued to monitor and leak test compressed air systems
- LED lighting has been installed for end-of-life replacements on all construction projects
- Move towards installing Solar PVs at the care homes
- Electric and hybrid cars have become a more popular choice for lease cars
- All energy contracts are now green energy contracts



**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2023**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, WR Partners, will be proposed for re-appointment in accordance section 485 of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

  
L P O'Loughlin - Secretary

11 December 2023

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
MORRIS & COMPANY (SHREWSBURY) LIMITED**

**Opinion**

We have audited the financial statements of Morris & Company (Shrewsbury) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, 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).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
MORRIS & COMPANY (SHREWSBURY) LIMITED**

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

In the light of our 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 and the Directors' Report. We have nothing to report in respect of the following matters where 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 of the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page seven, 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 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
MORRIS & COMPANY (SHREWSBURY) LIMITED**

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, Employment Law, Health and Safety Regulations, the EU General Data Protection Regulation (GDPR) and Care Quality Commission (CQC) regulations.

We understood how the Group are complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures. Where relevant we have reviewed direct correspondence with regulatory bodies to confirm compliance. We have reviewed board meeting minutes to confirm there were no material instances of non-compliance.

We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was susceptibility to fraud. Based on our understanding our procedures involved enquiries of management, control testing across key accounting cycles and review of the systems in place, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

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

**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 a Report of the Auditors 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.



Mr Andrew Malpass BA FCA (Senior Statutory Auditor)  
for and on behalf of WR Partners  
Chartered Accountants & Statutory Auditors  
Belmont House  
Shrewsbury Business Park  
Shrewsbury  
Shropshire  
SY2 6LG

12 December 2023

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

	Notes	2023 Continuing £'000	2023 Discontinued £'000	2023 Total £'000
<b>TURNOVER</b>	3	38,699	25,192	63,891
Cost of sales		(36,685)	(18,004)	(54,689)
<b>GROSS PROFIT</b>		2,014	7,188	9,202
Distribution costs		-	(9)	(9)
Administrative expenses		(109)	(5,079)	(5,188)
		1,905	2,100	4,005
Other operating gains and (losses)	4	68	83	151
Gain/loss on revaluation of assets		(2,345)	-	(2,345)
<b>OPERATING (LOSS)/PROFIT</b>	6	(372)	2,183	1,811
Income from fixed asset investments		157	-	157
Other finance income	26	53	-	53
Gain/loss on revaluation of assets		-	-	-
Interest payable and similar expenses	9	(388)	(1,077)	(1,465)
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(550)	1,106	556
Tax on (loss)/profit	10	(27)	(193)	(220)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		(577)	913	336
(Loss)/profit attributable to: Owners of the parent				336

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

	Notes	2022 Continuing £'000	2022 Discontinued £'000	2022 Total £'000
<b>TURNOVER</b>	3	34,070	29,096	63,166
Cost of sales		(30,905)	(18,903)	(49,808)
<b>GROSS PROFIT</b>		3,165	10,193	13,358
Distribution costs		-	(85)	(85)
Administrative expenses		(5,542)	(5,542)	(11,084)
		(2,377)	4,566	2,189
Other operating gains and (losses)	4	883	139	1,022
<b>OPERATING (LOSS)/PROFIT</b>	6	(1,494)	4,705	3,211
Exceptional items	8	-	(788)	(788)
		(1,494)	3,917	2,423
Other finance income	26	53	-	53
Gain/loss on revaluation of assets		-	-	-
Interest payable and similar expenses	9	(260)	(987)	(1,247)
<b>(LOSS)/PROFIT BEFORE TAXATION</b>		(1,701)	2,930	1,229
Tax on (loss)/profit	10	301	(930)	(629)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<u>(1,400)</u>	<u>2,000</u>	<u>600</u>
(Loss)/profit attributable to: Owners of the parent				<u>600</u>

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**CONSOLIDATED  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023**

<b>Notes</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
<b>PROFIT FOR THE YEAR</b>	<b>336</b>	<b>600</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Actuarial gains on pension scheme	(2,982)	6,292
Pension surplus not recognised	1,951	(6,703)
Deferred tax on revaluations		
Income tax relating to components of other comprehensive income	349	996
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>	<b>(682)</b>	<b>585</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>(346)</b>	<b>1,185</b>
Total comprehensive income attributable to: Owners of the parent	(346)	1,185

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**CONSOLIDATED BALANCE SHEET  
31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
<b>FIXED ASSETS</b>			
Intangible assets	12	-	-
Tangible assets	13	2,306	53,444
Investments	14	8,855	-
Investment property	15	44,417	43,885
		<u>55,578</u>	<u>97,329</u>
<b>CURRENT ASSETS</b>			
Stocks	16	15,876	16,432
Debtors	17	9,240	7,544
Cash at bank and in hand		17,865	5,028
		<u>42,981</u>	<u>29,004</u>
<b>CREDITORS</b>			
Amounts falling due within one year	18	16,853	16,358
<b>NET CURRENT ASSETS</b>		<u>26,128</u>	<u>12,646</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>81,706</u>	<u>109,975</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	(6,251)	(33,523)
<b>PROVISIONS FOR LIABILITIES</b>	23	(1,619)	(3,667)
<b>PENSION ASSET</b>	26	788	2,185
<b>NET ASSETS</b>		<u><u>74,624</u></u>	<u><u>74,970</u></u>

The notes form part of these financial statements



**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**CONSOLIDATED BALANCE SHEET - continued**  
**31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
<b>CAPITAL AND RESERVES</b>			
Called up share capital	24	18,333	18,333
Share premium	25	1	1
Freehold property revaluation reserve	25	-	9,451
Capital redemption reserve	25	28	28
Other reserves	25	28,847	34,547
Investment property revaluation reserve	25	3,265	3,265
Retained earnings	25	24,150	9,345
<b>SHAREHOLDERS' FUNDS</b>		<u>74,624</u>	<u>74,970</u>

The financial statements were approved by the Board of Directors and authorised for issue on 11 December 2023 and were signed on its behalf by:



R C Morris - Director

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**COMPANY BALANCE SHEET  
31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
<b>FIXED ASSETS</b>			
Intangible assets	12	-	-
Tangible assets	13	1,500	1,500
Investments	14	57,101	53,946
Investment property	15	25,016	25,429
		<u>83,617</u>	<u>80,875</u>
<b>CREDITORS</b>			
Amounts falling due within one year	18	<u>1,378</u>	<u>1,800</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,378)</u>	<u>(1,800)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>82,239</u>	<u>79,075</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	19	(9,302)	(25,045)
<b>PROVISIONS FOR LIABILITIES</b>	23	<u>(499)</u>	<u>-</u>
<b>NET ASSETS</b>		<u><u>72,438</u></u>	<u><u>54,030</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	24	18,333	18,333
Share premium	25	1	1
Capital redemption reserve	25	28	28
Other reserves	25	28,847	34,547
Retained earnings	25	25,229	1,121
<b>SHAREHOLDERS' FUNDS</b>		<u><u>72,438</u></u>	<u><u>54,030</u></u>
Company's profit for the financial year		<u><u>18,408</u></u>	<u><u>509</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 11 December 2023 and were signed on its behalf by:



R C Morris - Director

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 06041054)**

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

	Called up share capital £'000	Retained earnings £'000	Share premium £'000	Freehold property revaluation reserve £'000
<b>Balance at 1 April 2021</b>	18,333	8,652	1	8,484
<b>Changes in equity</b>				
Profit for the year	-	600	-	-
Other comprehensive income	-	93	-	967
<b>Total comprehensive income</b>	-	693	-	967
<b>Balance at 31 March 2022</b>	18,333	9,345	1	9,451
<b>Changes in equity</b>				
Profit for the year	-	336	-	-
Other comprehensive income	-	14,469	-	(9,451)
<b>Total comprehensive income</b>	-	14,805	-	(9,451)
<b>Balance at 31 March 2023</b>	18,333	24,150	1	-
	<b>Capital redemption reserve £'000</b>	<b>Other reserves £'000</b>	<b>Investment property revaluation reserve £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 April 2021</b>	28	34,547	3,740	73,785
<b>Changes in equity</b>				
Profit for the year	-	-	-	600
Other comprehensive income	-	-	(475)	585
<b>Total comprehensive income</b>	-	-	(475)	1,185
<b>Balance at 31 March 2022</b>	28	34,547	3,265	74,970
<b>Changes in equity</b>				
Profit for the year	-	-	-	336
Other comprehensive income	-	(5,700)	-	(682)
<b>Total comprehensive income</b>	-	(5,700)	-	(346)
<b>Balance at 31 March 2023</b>	28	28,847	3,265	74,624

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

	<b>Called up share capital £'000</b>	<b>Retained earnings £'000</b>	<b>Share premium £'000</b>
<b>Balance at 1 April 2021</b>	18,333	612	1
<b>Changes in equity</b>			
Total comprehensive income	-	509	-
<b>Balance at 31 March 2022</b>	18,333	1,121	1
<b>Changes in equity</b>			
Total comprehensive income	-	24,108	-
<b>Balance at 31 March 2023</b>	18,333	25,229	1
	<b>Capital redemption reserve £'000</b>	<b>Other reserves £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 April 2021</b>	28	34,547	53,521
<b>Changes in equity</b>			
Total comprehensive income	-	-	509
<b>Balance at 31 March 2022</b>	28	34,547	54,030
<b>Changes in equity</b>			
Total comprehensive income	-	(5,700)	18,408
<b>Balance at 31 March 2023</b>	28	28,847	72,438

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,304	(47)
Tax paid		80	246
<b>Net cash from operating activities</b>		<u>2,384</u>	<u>199</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(588)	(929)
Purchase of fixed asset investments		(11,200)	-
Purchase of investment property		(1,167)	(1,145)
Sale of tangible fixed assets		54,290	53
Sale of fixed asset investments		24	409
Sale of investment property		700	10,111
Dividends received		157	-
<b>Net cash from investing activities</b>		<u>42,216</u>	<u>8,499</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	2,970
Loan repayments		(30,284)	(8,570)
Capital repayments in year		(14)	(15)
Interest paid		(1,465)	(1,247)
<b>Net cash from financing activities</b>		<u>(31,763)</u>	<u>(6,862)</u>
<b>Increase in cash and cash equivalents</b>		<u>12,837</u>	<u>1,836</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>5,028</u>	<u>3,192</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>17,865</u></u>	<u><u>5,028</u></u>

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

**1. RECONCILIATION OF PROFIT FOR THE FINANCIAL YEAR TO CASH GENERATED FROM OPERATIONS**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Profit for the financial year	336	600
Depreciation charges	548	615
Profit on disposal of fixed assets	(5,976)	(413)
Loss on revaluation of fixed assets	2,345	-
Net defined benefit pension	419	484
Fair value losses and gains recognised	(65)	(473)
Amortisation of finance fees	-	75
Provisions	900	-
Finance costs	1,465	1,247
Finance income	(210)	(53)
Taxation	220	629
	<u>(18)</u>	<u>2,711</u>
Decrease/(increase) in stocks	556	(1,566)
(Increase)/decrease in trade and other debtors	(1,696)	1,241
Increase/(decrease) in trade and other creditors	<u>3,462</u>	<u>(2,433)</u>
<b>Cash generated from operations</b>	<b><u>2,304</u></b>	<b><u>(47)</u></b>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 March 2023**

	<b>31.3.23</b>	<b>1.4.22</b>
	<b>£'000</b>	<b>£'000</b>
Cash and cash equivalents	<u>17,865</u>	<u>5,028</u>

**Year ended 31 March 2022**

	<b>31.3.22</b>	<b>1.4.21</b>
	<b>£'000</b>	<b>£'000</b>
Cash and cash equivalents	<u>5,028</u>	<u>3,192</u>

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2023**

**3. ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	<b>At 1.4.22 £'000</b>	<b>Cash flow £'000</b>	<b>At 31.3.23 £'000</b>
<b>Net cash</b>			
Cash at bank and in hand	5,028	12,837	17,865
	<u>5,028</u>	<u>12,837</u>	<u>17,865</u>
<b>Debt</b>			
Finance leases	(47)	14	(33)
Debts falling due within 1 year	(4,370)	3,026	(1,344)
Debts falling due after 1 year	(33,490)	27,258	(6,232)
	<u>(37,907)</u>	<u>30,298</u>	<u>(7,609)</u>
<b>Total</b>	<u>(32,879)</u>	<u>43,135</u>	<u>10,256</u>

The notes form part of these financial statements

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**1. STATUTORY INFORMATION**

Morris & Company (Shrewsbury) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The principal activities of the company are that of property rental activities and a holding company for a group of companies which consist of property rental, property development, lighting and power generation, and the provision of care services.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Basis of consolidation**

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

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

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 April 2014.



**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**Significant judgements and estimates**

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 Group's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates, will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

**i) Stock related provisions**

Inventory is carried at the lower of stock or net realisable value, with cost being determined using actual cost at an individual item level. Net realisable value is calculated based on expected sales price for an individual stock item based on market conditions as at the balance sheet date including such factors as length of time that the inventory has been held and expected customer demands for products.

Management monitors the level of provision required based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**ii) Property carrying value impairment provisions**

Investment property is carried at fair value determined annually and derived from current market rents and investment property market conditions. Freehold property is carried at valuation determined on an existing use market basis. Please see accounting policy notes below.

**iii) Valuation of freehold property and impairment considerations**

Freehold Property revaluations are performed periodically in line with FRS102. Management perform an annual impairment review with reference to value in use and the carrying value of the assets held to ensure the latest valuation remains appropriate.

**iv) Amounts recoverable on long term contracts**

Amounts recoverable on long term contracts are valued using the percentage of completion method based on surveys of the status of the contract at year end. The estimation of the amount recoverable at year end includes the estimation of future costs to be incurred on a contract as well as the anticipated completion date of the contract assuming that revenue for the contract can be reliably measured.

Management review these positions annually based on market conditions.

**Going concern**

After making enquires, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**Turnover**

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

**Sale of goods**

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

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

**Rendering of services**

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

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

**Rental Income**

Revenue from hire of goods is recognised on a straight line basis over the term of the relevant operating lease.

**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 Income Statement over its useful economic life.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Tangible fixed assets under the cost model, other than investment properties, 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 property is held under the revaluation model. The fair value of freehold property is determined annually on an existing use market basis. If an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in Other Comprehensive Income and accumulated in equity. However, the increase shall be recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss. The decrease of an asset's carrying amount as a result of a revaluation shall be recognised in Other Comprehensive Income to the extent of any previously recognised revaluation increase accumulated in equity, in respect of that asset. If a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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	- Not depreciated
Leasehold property	- 10% - 20% Straight line
Plant and machinery	- 10% - 20% Straight line
Motor vehicles	- 20% - 25% Straight line

Freehold property is not depreciated as the assets are continually maintained in order that the residual value is considered to be at least the historic cost of the asset.

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 the Consolidated Income Statement.

**Investments in subsidiaries**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

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

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**Investment property**

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated Income Statement.

**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 first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

**Long term contracts**

Profit on long term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

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

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. 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 measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**Foreign currencies**

The Group's functional and presentational currency is GBP.

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 the Consolidated Income Statement.

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

**Hire purchase and leasing commitments**

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to profit or loss over the shorter of estimated useful economic life and the term of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to profit or loss over the term of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor. Where assets are financed by leasing agreements that do not give rights approximating to ownership, they are treated as operating leases.

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

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

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 Income Statement when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

**Defined benefit pension plan**

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The asset recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Consolidated Income Statement. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**Interest income**

Interest income is recognised in the Consolidated Income Statement using the effective interest method.

**Finance costs**

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

**Borrowing costs**

All borrowing costs are recognised in the Consolidated Income Statement in the year in which they are incurred.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**2. ACCOUNTING POLICIES - continued**

**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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

**Derivative financial instruments of hedge accounting**

The Group's activities expose it to the financial risks of changes in foreign exchange. Forward exchange contracts where appropriate are used to mitigate these risks. The use of such financial derivatives is governed by the policies approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the group's risk management strategy.

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. The Group designates certain derivatives as hedges of the change of fair value of recognised assets and liabilities ('fair value hedges').

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the Consolidated Income Statement, together with any changes in the fair values of the hedged assets or liabilities that are attributable to the hedged risk.

**Exceptional items**

These are items of income and expense which derive from events or transactions that fall outside normal operating activities and which individually, or, if of a similar type, in aggregate, need to be disclosed by virtue of their size or incidence if the financial statements are to give a true and fair view.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the principal activities of the group.

An analysis of turnover by class of business is given below:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Site Machinery division	3,300	6,328
Property division	38,700	34,070
Care division	21,891	22,768
	<u>63,891</u>	<u>63,166</u>

An analysis of turnover by geographical market is given below:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
United Kingdom	63,882	62,718
Rest of Europe	9	260
Rest of the World	-	188
	<u>63,891</u>	<u>63,166</u>

Included within the property division are construction contracts of £29,576,000 (2022: £27,230,000).

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**4. OTHER OPERATING GAINS AND (LOSSES)**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Sundry receipts	3	2
Government grants	-	48
Exchange gains	83	91
Profit on sale of fixed assets	-	409
Investment property fair value movements	65	472
	<u>151</u>	<u>1,022</u>

Government grants represent COVID19 furlough scheme receipts.

**5. EMPLOYEES AND DIRECTORS**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	15,060	15,813
Social security costs	1,601	1,499
Other pension costs	708	755
	<u>17,369</u>	<u>18,067</u>

The average number of employees during the year was as follows:

	<b>2023</b>	<b>2022</b>
Morris Care Limited	558	529
Morris Property Limited	49	44
Morris Site Machinery Limited	4	17
Morris & Company Limited	41	42
	<u>652</u>	<u>632</u>

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<u>866,501</u>	<u>710,425</u>

Information regarding the highest paid director is as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Emoluments etc	<u>451,300</u>	<u>413,404</u>



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**6. OPERATING PROFIT**

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

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Hire of plant and machinery	22	35
Other operating leases	107	152
Depreciation - owned assets	532	598
Depreciation - assets on hire purchase contracts	16	16
Profit on disposal of fixed assets	(5,976)	(413)
Foreign exchange differences	(83)	(91)
Investment property fair value movements	(65)	(472)
Revaluation of listed investments	2,345	-
	<u>2,345</u>	<u>-</u>

During the year, the Group sold the entire share capital of Morris Care limited and the trade of Morris Site Machinery Limited. The Discontinued operations noted on the Consolidated Income Statement relate to these two operations.

**7. AUDITORS' REMUNERATION**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	22	6
Fees payable to the company's auditors and their associates for other services to the group:		
The auditing of accounts of any associate of the company	33	52
Total audit fees	<u>55</u>	<u>58</u>
Other non- audit services	13	13
Total non-audit fees	<u>13</u>	<u>13</u>
Total fees payable	<u>68</u>	<u>71</u>

Fees payable to the Group's auditor and its associates in connection with the group's pension scheme in respect of the auditing of accounts of associates of the Company pursuant to legislation were £5,000 (2022: £5,000).

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
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**8. EXCEPTIONAL ITEMS**

Included within cost of sales are the following exceptional items:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Contract costs	<b>(400)</b>	<b>-</b>

Contract costs relate to unexpected costs related to an external construction project.

Exceptional items noted on the Consolidated Income Statement are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Business restructuring	-	(111)
Property and equipment	-	(155)
COVID19 Business interruption claim	-	241
COVID19 costs	-	(1,466)
COVID19 grant income	-	730
	<b>-</b>	<b>(788)</b>

COVID19 costs and grant income relate to Morris Care infection and test control and other related COVID19 exceptional costs during the prior year partly funded by government grants.

Costs include restructuring and other one off provisions of £Nil (2022: £111,000) relating to the discontinued SMC business.

Because of the significance of these costs and provisions they have been shown in Consolidated Income Statement as a separate line to ensure that the Consolidated Income Statement provides a true and fair view in relation to these matters.

**9. INTEREST PAYABLE AND SIMILAR EXPENSES**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Bank interest	674	832
Bank loan interest	669	360
Other loan interest	122	35
Interest payable	-	20
	<b>1,465</b>	<b>1,247</b>

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

**10. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Current tax:		
UK corporation tax	171	-
Deferred tax	49	629
Tax on profit	<u>220</u>	<u>629</u>

UK corporation tax has been charged at 19% (2022 - 19%).

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Profit before tax	<u>556</u>	<u>1,229</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	108	234
Effects of:		
Sale of assets and fair value revaluations	-	(168)
Other timing differences	114	563
Total tax charge	<u>220</u>	<u>629</u>

**Tax effects relating to effects of other comprehensive income**

	<b>2023</b>	
	<b>Gross</b>	<b>Net</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial gains on pension scheme	(2,982)	(2,982)
Pension surplus not recognised	1,951	1,951
Deferred tax on revaluations	-	349
	<u>(1,031)</u>	<u>(682)</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
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**10. TAXATION - continued**

	Gross	2022 Tax	Net
	£'000	£'000	£'000
Actuarial gains on pension scheme	6,292	-	6,292
Pension surplus not recognised	(6,703)	-	(6,703)
Deferred tax on revaluations	-	996	996
	<u>(411)</u>	<u>996</u>	<u>585</u>

**Factors that may affect future tax charges**

In the Spring Budget 2021, the UK Government announced that the corporation tax rate would increase to 25% effective from 1 April 2023.

**11. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**12. INTANGIBLE FIXED ASSETS**

Group	Goodwill £'000
<b>COST</b>	
At 1 April 2022 and 31 March 2023	<u>3,661</u>
<b>AMORTISATION</b>	
At 1 April 2022 and 31 March 2023	<u>3,661</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>-</u>
At 31 March 2022	<u>-</u>

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
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**13. TANGIBLE FIXED ASSETS**

**Group**

	<b>Freehold property £'000</b>	<b>Short leasehold £'000</b>	<b>Long leasehold £'000</b>
<b>COST OR VALUATION</b>			
At 1 April 2022	51,186	160	399
Additions	95	-	-
Disposals	(49,781)	-	-
At 31 March 2023	1,500	160	399
<b>DEPRECIATION</b>			
At 1 April 2022	-	160	365
Charge for year	-	-	14
Eliminated on disposal	-	-	-
At 31 March 2023	-	160	379
<b>NET BOOK VALUE</b>			
At 31 March 2023	1,500	-	20
At 31 March 2022	51,186	-	34

	<b>Plant and machinery £'000</b>	<b>Motor vehicles £'000</b>	<b>Totals £'000</b>
<b>COST OR VALUATION</b>			
At 1 April 2022	9,001	692	61,438
Additions	344	149	588
Disposals	(6,300)	(208)	(56,289)
At 31 March 2023	3,045	633	5,737
<b>DEPRECIATION</b>			
At 1 April 2022	7,051	418	7,994
Charge for year	442	92	548
Eliminated on disposal	(4,992)	(119)	(5,111)
At 31 March 2023	2,501	391	3,431
<b>NET BOOK VALUE</b>			
At 31 March 2023	544	242	2,306
At 31 March 2022	1,950	274	53,444

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**13. TANGIBLE FIXED ASSETS - continued**

**Group**

Cost or valuation at 31 March 2023 is represented by:

	<b>Freehold property £'000</b>	<b>Short leasehold £'000</b>	<b>Long leasehold £'000</b>
Valuation in 2020	(377)	-	-
Cost	1,877	160	399
	<u>1,500</u>	<u>160</u>	<u>399</u>

	<b>Plant and machinery £'000</b>	<b>Motor vehicles £'000</b>	<b>Totals £'000</b>
Valuation in 2020	-	-	(377)
Cost	3,045	633	6,114
	<u>3,045</u>	<u>633</u>	<u>5,737</u>

If freehold property had not been revalued they would have been included at the following historical cost:

	<b>2023 £'000</b>	<b>2022 £'000</b>
Cost	<u>1,877</u>	<u>41,965</u>

Freehold property was revalued on an existing use basis on 31 March 2023 by S Evans MRICS and N Anderson MRICS, both employees.

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Motor vehicles £'000</b>
<b>COST OR VALUATION</b>	
At 1 April 2022	
and 31 March 2023	<u>62</u>
<b>DEPRECIATION</b>	
At 1 April 2022	26
Charge for year	16
At 31 March 2023	<u>42</u>
<b>NET BOOK VALUE</b>	
At 31 March 2023	<u>20</u>
At 31 March 2022	<u>36</u>

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**13. TANGIBLE FIXED ASSETS - continued**

**Company**

	<b>Freehold property £'000</b>
<b>COST OR VALUATION</b>	
At 1 April 2022	
and 31 March 2023	1,500
<b>NET BOOK VALUE</b>	
At 31 March 2023	1,500
At 31 March 2022	1,500

Cost or valuation at 31 March 2023 is represented by:

	<b>Freehold property £'000</b>
Valuation in 2020	(377)
Cost	1,877
	1,500

If freehold property had not been revalued they would have been included at the following historical cost:

	<b>2023 £'000</b>	<b>2022 £'000</b>
Cost	1,877	1,877

Freehold property was revalued on an existing use basis on 31 March 2023 by S Evans MRICS and N Anderson MRICS, both employees.

**14. FIXED ASSET INVESTMENTS**

**Group**

	<b>Listed investment £'000</b>
<b>COST</b>	
Additions	11,200
Impairments	(2,345)
At 31 March 2023	8,855
<b>NET BOOK VALUE</b>	
At 31 March 2023	8,855

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**14. FIXED ASSET INVESTMENTS - continued**

**Company**

	Shares in group undertakings £'000	Listed investments £'000	Totals £'000
<b>COST</b>			
At 1 April 2022	60,006	-	60,006
Additions	-	11,200	11,200
Impairments	(5,700)	(2,345)	(8,045)
At 31 March 2023	<u>54,306</u>	<u>8,855</u>	<u>63,161</u>
<b>PROVISIONS</b>			
At 1 April 2022 and 31 March 2023	<u>6,060</u>	<u>-</u>	<u>6,060</u>
<b>NET BOOK VALUE</b>			
At 31 March 2023	<u>48,246</u>	<u>8,855</u>	<u>57,101</u>
At 31 March 2022	<u>53,946</u>	<u>-</u>	<u>53,946</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiary**

Subsidiary name	Nature of business	Class of share	Holding
Morris & Company Limited	Property development	Ordinary	100%
Morris Property Limited	Property contracting services	Ordinary	100%
Morris Site Machinery Limited	Sale of onsite construction power equipment, welding power equipment, mobile powered lighting towers and water pumps	Ordinary	100%
SMC Light and Power Limited	Dormant	Ordinary	100%

The registered office of all the above subsidiaries is Welsh Bridge, Shrewsbury, Shropshire, SY3 8LH.



**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans (see note 20)	6,232	33,490	6,232	12,646
Hire purchase contracts (see note 21)	19	33	-	-
Amounts owed to group undertakings	-	-	3,070	12,399
	<u>6,251</u>	<u>33,523</u>	<u>9,302</u>	<u>25,045</u>

**20. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Amounts falling due within one year or on demand:				
Bank loans	<u>1,344</u>	<u>4,370</u>	<u>1,344</u>	<u>1,766</u>
Amounts falling due between one and two years:				
Bank loans	<u>1,424</u>	<u>2,868</u>	<u>1,424</u>	<u>1,844</u>
Amounts falling due between two and five years:				
Bank loans	<u>4,808</u>	<u>28,930</u>	<u>4,808</u>	<u>9,110</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	<u>-</u>	<u>1,692</u>	<u>-</u>	<u>1,692</u>

**Group**

The bank loan is repayable by quarterly instalments at a fixed interest rate set at the time the loan was taken at 5.95%.

**Company**

The bank loan is repayable by quarterly instalments at a fixed interest rate set at the time the loan was taken at 5.95%.

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

**21. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Net obligations repayable:		
Within one year	14	14
Between one and five years	19	33
	<u>33</u>	<u>47</u>

**Group**

	<b>Non-cancellable operating leases</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Within one year	280	484
Between one and five years	934	1,043
In more than five years	4,609	4,826
	<u>5,823</u>	<u>6,353</u>

**22. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>		<b>Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Bank loans	7,576	37,860	7,576	14,412
Hire purchase contracts	33	47	-	-
	<u>7,609</u>	<u>37,907</u>	<u>7,576</u>	<u>14,412</u>

Bank loans are secured through fixed charges held over various properties held by Morris & Company (Shrewsbury) Limited and Morris & Company Limited.

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**23. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Deferred tax		
Accelerated capital allowances	523	2,387
Capital gains revaluations	-	734
Other timing differences	197	546
	<u>720</u>	<u>3,667</u>
Other provisions	<u>899</u>	<u>-</u>
Aggregate amounts	<u>1,619</u>	<u>3,667</u>
<b>Group</b>		
		<b>Deferred tax</b>
		<b>£'000</b>
Balance at 1 April 2022		3,667
Provided during year		49
Care disposal		(2,647)
Revaluations		(349)
Balance at 31 March 2023		<u>720</u>

**24. CALLED UP SHARE CAPITAL**

<b>Allotted, issued and fully paid:</b>			<b>2023</b>	<b>2022</b>
<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>£'000</b>	<b>£'000</b>
12,677,684	Ordinary	£1	12,678	12,678
5,654,801	Redeemable Convertible			
	Ordinary	£1	5,655	5,655
			<u>18,333</u>	<u>18,333</u>

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**25. RESERVES**

**Group**

	Retained earnings £'000	Share premium £'000	Freehold property revaluation reserve £'000
At 1 April 2022	9,345	1	9,451
Profit for the year	336		
Reserve Transfer	5,700	-	-
Actuarial movements on pension scheme	(1,031)	-	-
Deferred tax on revaluation	349	-	-
Property disposals	9,451	-	(9,451)
At 31 March 2023	<u>24,150</u>	<u>1</u>	<u>-</u>

**Group**

	Capital redemption reserve £'000	Other reserves £'000	Investment property revaluation reserve £'000	Totals £'000
At 1 April 2022	28	34,547	3,265	56,637
Profit for the year				336
Reserve Transfer	-	(5,700)	-	-
Actuarial movements on pension scheme	-	-	-	(1,031)
Deferred tax on revaluation	-	-	-	349
At 31 March 2023	<u>28</u>	<u>28,847</u>	<u>3,265</u>	<u>56,291</u>

**Company**

	Retained earnings £'000	Share premium £'000	Capital redemption reserve £'000	Other reserves £'000	Totals £'000
At 1 April 2022	1,121	1	28	34,547	35,697
Profit for the year	18,408				18,408
Reserve Transfer	5,700	-	-	(5,700)	-
At 31 March 2023	<u>25,229</u>	<u>1</u>	<u>28</u>	<u>28,847</u>	<u>54,105</u>

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
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**25. RESERVES - continued**

Group retained earnings reserves include net losses of £3,866,000 (2022: £4,419,000) in respect of undistributable investment property fair value movements and freehold property carrying value movements below cost since 1 April 2014.

Company retained earnings reserves include net losses of £4,109,000 (2022: £3,696,000) in respect of undistributable investment property fair value movements and freehold property carrying value movements below cost since 1 April 2014.

Other finance income included in the profit and loss account of £53,000 (2022: £53,000) represents pension scheme net interest (see Employee Benefit Obligations note).

No dividend is currently proposed for the year ended 31 March 2023.

Other reserves are in relation to a merger reserve.

**26. EMPLOYEE BENEFIT OBLIGATIONS**

On 24 March 2002 a stakeholder defined contribution scheme was introduced. The pension cost for the year was £368,000 (2022: £367,000).

The Group operates a defined benefit pension scheme.

The pension assets are held in a separate trustee administered fund to meet long term pension liabilities to past and present employees. The Trustees of the scheme are required to act in the best interests of the scheme's beneficiaries. The appointment of Trustees to the scheme is determined by the scheme's trust documentation.

The most recent triennial valuation was compiled by the scheme actuary for the trustees of the scheme as at 31 March 2020. Following the valuation, the employer's ordinary contribution rate was maintained at zero percent. The sponsors and trustees monitor the funding level on an annual basis and employer contributions have been maintained at that level since then.

The amounts recognised in these financial statements, based on the accounting policies, and on actuarial calculations adopting the below assumptions are as follows:

The amounts recognised in profit or loss are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	340	388
Net interest from net defined benefit asset/liability	(53)	(53)
Past service cost	-	-
Administration costs	79	96
	<u>366</u>	<u>431</u>
Actuarial return on assets	<u>(14,136)</u>	<u>3,068</u>

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**26. EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Opening defined benefit obligation	46,607	51,109
Current service cost	340	388
Contributions by scheme participants	30	25
Interest cost	1,231	950
Actuarial losses/(gains)	(11,153)	(3,224)
Benefits paid	(2,379)	(2,641)
	<u>34,676</u>	<u>46,607</u>

Changes in the fair value of scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Opening fair value of scheme assets	63,931	62,415
Contributions by scheme participants	30	25
Interest income	1,693	1,160
Actuarial gains/(losses)	(14,136)	3,068
Benefits paid	(2,379)	(2,641)
Non interest expenses	(79)	(96)
	<u>49,060</u>	<u>63,931</u>

The amounts recognised in other comprehensive income are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial gains/(losses)	(2,982)	6,292
Pension surplus not recognised	1,951	(6,702)
	<u>(1,031)</u>	<u>(410)</u>

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**26. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Equities	5,627	7,650
Property	8,494	8,719
Cash	(58)	1,548
Liability Driven Investments	13,542	12,146
Diversified Growth Funds	21,455	33,868
	<u>49,060</u>	<u>63,931</u>

The amounts recognised in the Balance Sheet are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Present value of funded obligations	(34,676)	(46,607)
Fair value of plan assets	<u>49,060</u>	<u>63,931</u>
Net defined benefit liability	14,384	17,324
Unrecognised amounts	<u>(13,596)</u>	<u>(15,139)</u>
Amount recognised in the balance sheet	<u>788</u>	<u>2,185</u>

**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**26. EMPLOYEE BENEFIT OBLIGATIONS - continued**

Experience of gains and losses:

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Scheme liabilities	(34,676)	(46,607)	(51,109)	(45,655)	(53,613)
Scheme assets	49,060	63,931	62,415	57,492	65,357
Surplus	14,384	17,324	11,306	11,827	11,744
Unrecognised amounts	(13,596)	(15,139)	(8,279)	(8,695)	(8,050)
	<u>788</u>	<u>2,185</u>	<u>3,027</u>	<u>3,132</u>	<u>3,694</u>

Asset gains:

Amount - £	(14,136)	3,068	5,866	(2,089)	2,644
% of scheme assets	-28.8%	4.8%	9.4%	-3.6%	4.1%

Experience gains/(losses)  
on scheme liabilities:

Amount - £	(386)	9	(938)	306	41
% of scheme liabilities	-1.1%	0.0%	-1.8%	0.7%	0.1%

Projected income statement for the following period:

	2024 £'000
Service cost	150
Administration costs incurred during the period	80
Net interest cost	(32)
Effect of any curtailments	-
Total pension expense	<u>198</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2023	2022
Discount rate	4.70%	2.70%
Future salary increases	3.60%	3.90%
Future pension increases	3.50%	3.70%
RPI price inflation	3.60%	3.90%
CPI price inflation	3.00%	3.10%

Post retirement mortality:

	S2PxA (CMI) 2020 projections with 1.25% LTR	S1PxA (CMI) 2020 projections with 1.25% LTR
Current pensioners age 65 - males	22.0	22.0
Current pensioners age 65 - females	24.4	24.4
Future pensioners age 65 (currently age 45) - males	23.3	23.3
Future pensioners age 65 (currently age 45) - females	25.8	25.8



**MORRIS & COMPANY (SHREWSBURY) LIMITED (REGISTERED NUMBER: 05041054)**

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

**27. CONTINGENT LIABILITIES**

Morris & Company Limited, Morris Site Machinery Limited and Morris Property Limited are party to a group overdraft limit of £2,250,000 (2022: £2,250,000) with Lloyds PLC. The overdrafts at the year end are as follows:

	<b>2023 £'000</b>	<b>2022 £'000</b>
Morris Site Machinery Limited	-	679

**28. RELATED PARTY DISCLOSURES**

Properties were rented to and from the directors of the Company at market value rates. The net rental amounted to £46,000 (2022: £46,000) including shooting rights.

During the year Investment Property was purchased from the Morris Employee Discretionary Trust for market value of £700,000 (2022: £685,000).

A balance of £733,680 (2022: £865,318) is owed by Morris & Company Limited to the Morris Employee Discretionary Trust at the year end.

During the year, a related party was a resident at one of the Homes. The fee payable was on an arm's length basis and amounted to £432,943 (2022: £677,680 for the year) for the period to 9 January 2023. No amounts have been written off in the period (2022: £nil).

During the prior year the Company disposed of Investment Property to pension schemes under the control and set up for the benefit of the directors for market value of £3,828,000.

During the prior year the Company disposed of Investment Property to the Morris Pension Scheme for market value of £6,692,596.

As at the year-end, the amounts outstanding on loan accounts of the Directors and their related parties was £nil (2022: £nil). The maximum amount outstanding during the year was £796,460.

**29. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party of the Company.

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