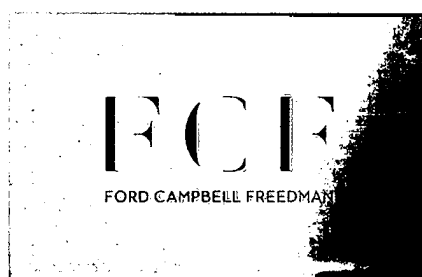
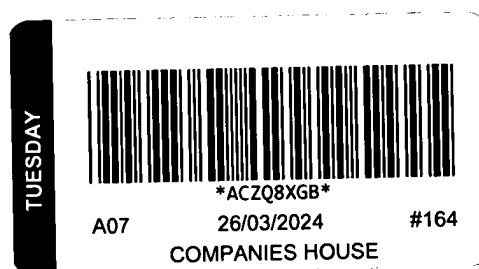


REGISTERED NUMBER: 05300988 (England and Wales)

**Group Strategic Report, Report of the Directors and  
Consolidated Financial Statements for the Year Ended 30 September 2023  
for  
Highgrove Group Plc**



**Highgrove Group Plc (Registered number: 05300988)**

**Contents of the Consolidated Financial Statements  
for the Year Ended 30 September 2023**

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# Highgrove Group Plc

## Company Information for the Year Ended 30 September 2023

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**DIRECTORS:**

J Best  
D J Shann  
P Whitaker

**SECRETARY:**

D M Lush

**REGISTERED OFFICE:**

Middleton House  
Westland Road  
Leeds  
West Yorkshire  
LS11 5UH

**REGISTERED NUMBER:**

05300988 (England and Wales)

**AUDITORS:**

Ford Campbell Freedman Limited  
Chartered accountant & statutory auditor  
2nd Floor  
33 Park Place  
Leeds  
LS1 2RY

## Highgrove Group Plc (Registered number: 05300988)

### Group Strategic Report for the Year Ended 30 September 2023

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The directors present their Strategic Report for Highgrove Group plc ("the Company" and "the Group") the year ended 30 September 2023.

#### **BUSINESS OVERVIEW**

Highgrove Group plc is the parent company of GMI Construction Group plc. GMI is an award-winning construction contractor with an established reputation for consistent delivery of outstanding projects. Working for an international portfolio of property developers, public sector clients and blue-chip companies the Group specialises in the delivery of new build, refurbishment and fit out projects across the industrial, logistics & distribution, multi-room, commercial, food & beverage processing, and retail & leisure sectors, with a large emphasis on Design & Build projects.

The Group operates in four regions across the whole of the North of England and the Midlands. During its 38 year trading history, The Group's ethos and core values remain unchanged - that is to be a genuine delivery partner exceeding client expectations at every opportunity. The Group's focus continues to be to deliver safely, achieve outstanding quality, and complete all projects on time and within budget, and focusing on best value through alternative construction methods and cost efficiencies for the benefit of our clients.

Our employees remain our greatest asset and are essential to the future of the business. We have continued to grow our workforce through the year, bolstering our capacity within our operational teams to support project delivery, and continuing to invest in group support services. By investing in our people and infrastructure we remain focused on creating a solid platform from which the business can build on its successful history.

The trading results for the year and the Group's financial position at the year-end are shown in the attached financial statements.

#### **SECTION 172(1) STATEMENT**

The Board of directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its stakeholders as a whole, and in doing so have regard to a range of matters including:

- the likely consequences of any decision in the long term,
- the interests of the Group's employees,
- the need to foster the Group's business relationships with suppliers, customers, and others,
- the impact of the Group's operations on the community and the environment,
- the desirability of the Group maintaining a reputation for high standards of business conduct, and the need to act fairly between stakeholders in the Group.

Key decisions and matters that are of strategic importance to the Group are appropriately informed by s172 factors. These include but are not limited to:

- the approval of the Group's strategy and three year plan,
- the approval of the current year budget,
- the approval of the overall individual site performances,
- the approval of the buy-in of insurance contracts.

As part of the Board's decision-making process, the Board considers the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Group's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

No significant changes are expected to the operations of the Group in the period ahead.

## Highgrove Group Plc (Registered number: 05300988)

### Group Strategic Report for the Year Ended 30 September 2023

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#### BUSINESS REVIEW & RESULTS

Headline figures:

- Turnover £328.5m (2022: £360.3m)
- Cash at Bank £10.6m (2022: £36.0m)
- Gross Profit £8.6m (2022: £2.6m)
- Average headcount: 274 (2022: 216)
- Average Contract Value: £21m (2022: £17m)
- Number of Projects completed: 27 (2022: 11)
- Number of projects on site at year end: 15 (2022: 32)

Turnover for the period ending September 2023 was split over the following sectors:

- Industrial & Logistics - 44% (2022 - 56%)
- Multiroom - 36% (2022 - 27%)
- Commercial - 12% (2022 - 16%)
- Education & Healthcare - 8% (2022 - 1%)

The above is represented by the delivery of the following project specific metrics:

- Purpose Built Student Accommodation- 846 beds
- Hotels - 449 keys
- Build to Rent - 161 beds
- Industrial & Logistics - 1,000,000 sq ft
- Commercial office - 411,000 sq ft

Despite the strong economic headwinds faced by the construction industry as a whole over the past few years, the directors are satisfied with the financial results for the year.

Our strategic investment programme, which began three years ago, has played an important part in helping the Group navigate through a period of intense market turbulence that started with the pandemic and ended with massive inflationary pressures and then subdued orders due to the high interest rate environment.

A deliberate and focused action of "controlled consolidation" resulted in a reduction in turnover of 9% from the previous year, but more importantly, helped deliver significantly improved profitability with Gross Profit increasing by 227% to £8.6m (2022: £2.6m).

A critical factor in the Group's increased profitability, and continuing forecast of future profits, was the decision to apply tough stress tests relating to the financial risk on larger projects. Our pricing will always be realistic and we are watching the respected economic forecasts with great care to ensure we can accommodate wider economic factors when triaging new work to establish the value/cost and risk elements.

Aligned with the strategy of "controlled consolidation," the Group has focused on prudent business practices to ensure sustainable profitability. This strategy emphasises selecting the right project opportunities with robust business partners and maintaining sound commercial footing in pricing and procurement, and prioritising sustainable and risk-averse investments. This risk-averse strategy is enabled via the Group's Reserved Matters and Delegated Authorities which sets a blueprint for the senior management team and governs all business operations. The Group continues to focus on negotiated project opportunities, that saw the business secure 66% of its turnover from single source negotiated workload, with some of the Group's operational divisions benefiting from in excess of 75% negotiated turnover.

Our investment in IT has played a critical role in the improvement to productivity and is making a real impact into the cost control of major projects, by providing real time information on materials and manpower to project leaders.

During the year to 30 September 2023 the business also took a strategic decision to apply for a number of public sector frameworks; so far it has been accepted onto five important frameworks, which have already provided a route to successful tenders for public sector contracts.

## Highgrove Group Plc (Registered number: 05300988)

### Group Strategic Report for the Year Ended 30 September 2023

The North East regional office relocated to larger premises during the year as the Group established itself further by increasing its strong foothold in the region.

#### Future Proofing Investment

We continue to invest in our business infrastructure to ensure that the Group is 'fit to deliver' in the future, and so that we can successfully navigate the increasing complexities posed by new legislation, including the Building Safety Act and the requirement for a Golden Thread on each and every project.

Our investment in business improvements and new technologies has continued with an allocation of £1.9m focusing on technology, Responsible Business practices and Learning & Development initiatives during the financial year.

#### HEALTH & SAFETY

Health & Safety remains our number one priority in the Group and is agenda item number one at our board meetings, regional SMT meetings and site progress meetings and during the year the Group maintained its excellent Health & Safety record. The slight increase in our AAFR can be explained by the introduction of our Work Wallet digitised system resulting in better reporting, with any accident being reported as it happens with the aid of our new technology.

Our 'Work Safe, Home Safe' campaign continues to be implemented to all staff and our supply chain. We also continue to develop Work Wallet, our digitised platform for Health & Safety.

Health & Safety audits of all construction sites are undertaken by our dedicated team of H&S professionals with the introduction of cross regional audits to further ensure that Health & Safety remains at the forefront of our agenda.

#### ESG

The Group is committed to being a Responsible Business with dedicated departments in both Responsible Business and Sustainability to lead our ESG strategy.

#### Delivering Social Value

We have set a KPI to deliver £5m of social value on projects in the next financial year.

#### Health & Wellbeing

The Group is committed to the health, safety, and wellbeing of all our colleagues. We aim to encourage all our colleagues to take care of themselves, their families and those around them. The Group has invested in a digital wellbeing centre where colleagues can access financial, mental, physical, and health related wellbeing advice.

The Group has also invested in further mental health support across the business by building a partnership with the Lighthouse Charity, as well as encouraging the usage of our Employee Assistance Program and the THRIVE app. This is all underpinned and supported by our People Focused Policies which align to the business strategy and goals to attract, develop, and retain the best talent.

#### KEY PERFORMANCE INDICATORS

	2023	2022
All Accident Frequency Rate (AAFR)	1.17	1.02
Turnover	£328.5m	£360.3m
Gross Profit (£)	£8.6m	£2.6m
Gross Profit (%)	2.61%	0.72%
Overheads as a % of Turnover	2.76%	1.68%
Cash at Bank	£10.6m	£36.0m
Secured Forward Order Book	£232m	£325m
Apprenticeships (%)	14%	12%

**Group Strategic Report**  
**for the Year Ended 30 September 2023**

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**PRINCIPAL RISKS & UNCERTAINTIES**

**Contract Risk**

The delivery of Construction projects requires the identification, control, and management of the associated risks, which if left unmanaged can pose significant risk on complex developments. The Directors are confident that they have an extremely robust system of internal controls throughout the life cycle of the projects to deal with the current inflationary market, disrupted supply chains in addition to the usual design, construction, and delivery risks that the Group faces. Our risk mitigation includes a series of 'gateways' through which the business must process each project, including the regular and frequent detailed review and reporting of all aspects appertaining to ongoing contracts, including our monthly cost and value reconciliation procedures.

**Financial**

There continues to be no external debt within the Group. The business model under which the Group operates ensures that cash flow is keenly monitored and managed to remain strongly positive, and its Balance Sheet remains robust to support the level of activity in which it is involved.

**Human Resource**

The Group recognises a major key to its continued success is its ability to attract, retain and develop the best people it can. The Group has an excellent history in retaining its employees and will strive to continue to do this by ensuring staff development and training is planned and effected at all levels, as demonstrated by the addition of our new Learning & Development department. We currently hold the Investors In People (IIP) Silver award whilst we continue to aim for the IIP Gold award.

**Inflation**

Whilst the rate of inflation appears to be settling, we are aware of the need to react quickly to any increase and continue to protect ourselves from price increases and ensure that the true cost is recovered in our tenders.

**Cyber Crime**

Whilst the big focus in construction is the activities on site, we must always remain diligent to the growing threat of Cyber Crime. To that end, **the business has recently been successful in retaining the Cyber Essentials Plus accreditation.**

**FUTURE DEVELOPMENTS**

Looking ahead, the Group has already secured £232m of turnover for the year to 30 September 2024 with profit margins currently returning to pre-pandemic levels. The Group has a robust pipeline of projects, across all sectors including student accommodation, hotel developments, built-to-rent properties, industrial and logistics facilities, and commercial offices.

The Group has successfully navigated challenges and capitalised on opportunities to return to profitability in the financial year 2022/2023. The Group's commitment to profitable consolidation, strategic investments, and risk-averse decision-making positions it for sustainable growth and success in the future. With a focus on prudent business practices and innovation, the Group is well-equipped to thrive in the evolving construction industry landscape.

**ON BEHALF OF THE BOARD:**

*J Best*

J Best (Mar 22, 2024 18:59 GMT)

J Best - Director

Date: 22/03/24

## Highgrove Group Plc (Registered number: 05300988)

### Report of the Directors for the Year Ended 30 September 2023

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2023.

#### DIRECTORS

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

J Best  
D J Shann  
P Whitaker

#### DIVIDENDS

Particulars of recommended dividends are detailed in note 13 to the financial statements.

#### STREAMLINED ENERGY AND CARBON REPORTING

The SECR disclosure presents our carbon footprint within the United Kingdom across Scope 1 and 2 emissions, an appropriate intensity metric, the total energy use of electricity, gas, other energy and transport fuel and an efficiency actions summary taken during the relevant financial year.

	<u>2023</u>	<u>2022</u>
Energy consumption used to calculate emissions (kWh)	720,604	477,254
Energy consumption used to calculate emissions (Ltr/Kg)	747,923	1,012,076
Emissions from combustion of other fuel (scope 1) tCO2e	2,084	2,813
Emissions from combustion of other fuel for transport purposes tCO2e	97	20
Emissions from purchased electricity (Scope 2) tCO2e	149	304
Total gross tCO2e based on the above	2,233	3,117
Intensity ratio (tCO2 per m2)	180	269

#### Energy efficiency action summary

The Group is firmly dedicated to responsible energy management and is determined to implement energy-efficient measures company-wide. We acknowledge the gravity of climate change as one of the most pressing environmental issues facing our global community, and we fully embrace our responsibility to help curtail greenhouse gas emissions. With that commitment in mind, and our target of becoming Carbon Net Zero by 2030, we have put in place the following policies aimed at enhancing the carbon efficiency of our business in the upcoming fiscal year and years to come:

- Brought onboard a specialist hire company providing eco site accommodation, hybrid generators and solar hybrid generators.
- All site accommodation cabins from Wernick are A rated, helping energy use on sites with these cabins.
- Brought in Lyreco as stationary provider (provide 100% recycled printed paper, recycle used printing cartridges and deliver using EV's).
- Use Bryson for Sundry and PPE, who are a carbon negative company.
- Hired crusher on James St. so can process on site spoils excavated on to a useable condition on site, reducing energy required in transportation of spoils from this site.
- James St., York uses solar drying rooms.

The following carbon efficiency measures are under consideration for implementation during 2023/2024:

- Looking into implementation of smart sockets to site cabins.
- Implement wider use of Think Hire smart sockets for all cabins (can switch off power at night/weekends and only run essential services).



## Highgrove Group Plc (Registered number: 05300988)

### Report of the Directors for the Year Ended 30 September 2023

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- Looking to implement recycling of PPE (has been trialled at Tamworth).
- 70% of GMI sites use Community Wood Recycling, aim to be 100% in 2024.
- Work with Lyreco to replace chemical products with bio alternatives.

#### Methodology notes

ESOS methodology (as specified in Complying with the Energy Savings Opportunity Scheme, published by the Environment Agency 28/06/2023) used in conjunction with Government GHG reporting conversion factors.

- Intensity ratios calculated using square footage
- kgCO<sub>2</sub>e per square foot of total site area.
- Data estimation
- Assumption that averages square foot on projects is based on 10 cabins per site project.
- Assumption made that grey fleet and company owned vehicles are all medium size engine.

#### DISCLOSURE IN THE STRATEGIC REPORT

The Group has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the Group's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. This includes information that would have been included in the business review and the principal risks and uncertainties.

#### STATEMENT OF DIRECTORS' RESPONSIBILITIES

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.

**Highgrove Group Plc (Registered number: 05300988)**

**Report of the Directors  
for the Year Ended 30 September 2023**

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**AUDITORS**

The auditors, Ford Campbell Freedman Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



David Shann (Mar 22, 2024 19:54 GMT)

.....  
D J Shann - Director

22/03/24

Date: .....

# Report of the Independent Auditors to the Members of Highgrove Group Plc

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## Opinion

We have audited the financial statements of Highgrove Group Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 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 30 September 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.

## 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.

## **Report of the Independent Auditors to the Members of Highgrove Group Plc**

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### **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.

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 the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities 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 Highgrove Group Plc

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### 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.

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:

While planning our audit, we have made enquiries of management and those charged with governance around any actual or potential litigation and claims against the company for non-compliance with specific laws and regulations. The same has been done in respect of any instances of fraud or irregularities. The responses received have been communicated with the engagement team at the planning stage.

We have not been informed of any specific laws or regulatory related issues that could materially impact the financial statements in addition to this, there has been no suspected fraud or irregularities reported to us.

While planning our audit the engagement partner selected appropriately trained staff to be engaged in the audit and the team are allocated based on their competence and capabilities.

The audit work undertaken is a substantive work based audit approach, reviewing to source documentation where appropriate and includes a review and walkthrough of the systems which management have put in place. These tests are directional. Therefore, they are designed in a way to maximise audit effectiveness and the possible identification of any material fraud, irregularities, or instances of systems and procedure breaches. Our testing did not identify any issues that requires any additional reporting.

These tests and other areas of our audit work are designed to enhance our ability to detect cases of material fraud and certain irregularities. It should be noted that our audit is carried out using a material based approach and therefore does not test every transaction, as such, it would not detect all instances of irregularities and specifically fraud which is inherently more difficult to detect.

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.



Dale Coleman (Mar 22, 2024 20:03 GMT)

Dale Coleman FCA (Senior Statutory Auditor)  
for and on behalf of Ford Campbell Freedman Limited  
Chartered accountant & statutory auditor  
2nd Floor  
33 Park Place  
Leeds  
LS1 2RY

22/03/24

Date: .....

**Highgrove Group Plc (Registered number: 05300988)**

**Consolidated Income Statement  
for the Year Ended 30 September 2023**

	Notes	2023 £	2022 £
<b>TURNOVER</b>	4	<b>328,433,501</b>	360,254,613
Cost of sales		<b>(319,872,098)</b>	(357,675,918)
<b>GROSS PROFIT</b>		<b>8,561,403</b>	2,578,695
Administrative expenses		<b>(9,068,730)</b>	(6,069,243)
		<b>(507,327)</b>	(3,490,548)
Other operating income	5	<b>6,409</b>	5,984
<b>OPERATING LOSS</b>	7	<b>(500,918)</b>	(3,484,564)
Interest receivable and similar income	9	<b>1,465,994</b>	1,244,640
		<b>965,076</b>	(2,239,924)
Interest payable and similar expenses	10	-	(5,753)
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		<b>965,076</b>	(2,245,677)
Tax on profit/(loss)	11	<b>(144,857)</b>	3,240,755
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>820,219</b>	995,078
Profit attributable to: Owners of the parent		<b>820,219</b>	995,078

The notes form part of these financial statements

**Highgrove Group Plc (Registered number: 05300988)**

**Consolidated Other Comprehensive Income  
for the Year Ended 30 September 2023**

	Notes	2023 £	2022 £
PROFIT FOR THE YEAR		820,219	995,078
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>820,219</u>	<u>995,078</u>
Total comprehensive income attributable to: Owners of the parent		<u>820,219</u>	<u>995,078</u>

The notes form part of these financial statements

**Highgrove Group Plc (Registered number: 05300988)**

**Consolidated Balance Sheet**

**30 September 2023**

	Notes	£	2023 £	£	2022 £
<b>FIXED ASSETS</b>					
Intangible assets	14		-		-
Tangible assets	15		<b>1,483,671</b>		<b>1,477,597</b>
Investments	16		-		-
Investment property	17		-		-
			<b>1,483,671</b>		<b>1,477,597</b>
<b>CURRENT ASSETS</b>					
Stocks	18	<b>127,792</b>		-	
Debtors	19	<b>80,391,542</b>		90,928,043	
Cash at bank		<b>10,569,725</b>		35,970,623	
			<b>91,089,059</b>	126,898,666	
<b>CREDITORS</b>					
Amounts falling due within one year	20	<b>65,755,280</b>		102,379,032	
<b>NET CURRENT ASSETS</b>			<b>25,333,779</b>		<b>24,519,634</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<b>26,817,450</b>		<b>25,997,231</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	23		<b>137,500</b>		<b>137,500</b>
Capital redemption reserve	24		<b>5,100,000</b>		<b>5,100,000</b>
Retained earnings	24		<b>21,579,950</b>		<b>20,759,731</b>
<b>SHAREHOLDERS' FUNDS</b>			<b>26,817,450</b>		<b>25,997,231</b>

The financial statements were approved by the Board of Directors and authorised for issue on

22/03/24

..... and were signed on its behalf by:



David Shann (Mar 22, 2024 19:54 GMT)

.....  
D J Shann - Director

The notes form part of these financial statements



# Highgrove Group Plc (Registered number: 05300988)


## Company Balance Sheet

30 September 2023

	Notes	£	2023 £	£	2022 £
<b>FIXED ASSETS</b>					
Intangible assets	14		-		-
Tangible assets	15		83,579		90,007
Investments	16		5,046,640		5,046,640
Investment property	17		900,000		900,000
			<b>6,030,219</b>		<b>6,036,647</b>
<b>CURRENT ASSETS</b>					
Stocks	18	127,792		-	
Debtors	19	14,118,103		26,965,465	
Cash at bank		340,424		2,273,827	
		<b>14,586,319</b>		<b>29,239,292</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	20	2,331,700		17,017,136	
<b>NET CURRENT ASSETS</b>			<b>12,254,619</b>		<b>12,222,156</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>18,284,838</b>		<b>18,258,803</b>
<b>PROVISIONS FOR LIABILITIES</b>	22		<b>11,146</b>		<b>9,122</b>
<b>NET ASSETS</b>			<b>18,273,692</b>		<b>18,249,681</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	23		137,500		137,500
Capital redemption reserve	24		5,100,000		5,100,000
Retained earnings	24		13,036,192		13,012,181
<b>SHAREHOLDERS' FUNDS</b>			<b>18,273,692</b>		<b>18,249,681</b>
Company's profit for the financial year			<b>24,011</b>		<b>523,166</b>

The financial statements were approved by the Board of Directors and authorised for issue on 22/03/24

..... and were signed on its behalf by:

  
David Shann (Mar 22, 2024 19:54 GMT)

D J Shann - Director

The notes form part of these financial statements

**Highgrove Group Plc (Registered number: 05300988)**

**Consolidated Statement of Changes in Equity  
for the Year Ended 30 September 2023**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Capital redemption reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 October 2021</b>	137,500	20,615,038	5,100,000	25,852,538
<b>Changes in equity</b>				
Dividends	-	(850,385)	-	(850,385)
Total comprehensive income	-	995,078	-	995,078
<b>Balance at 30 September 2022</b>	137,500	20,759,731	5,100,000	25,997,231
<b>Changes in equity</b>				
Total comprehensive income	-	820,219	-	820,219
<b>Balance at 30 September 2023</b>	137,500	21,579,950	5,100,000	26,817,450

The notes form part of these financial statements

**Highgrove Group Plc (Registered number: 05300988)**

**Company Statement of Changes in Equity  
for the Year Ended 30 September 2023**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Capital redemption reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 October 2021</b>	137,500	13,339,400	5,100,000	18,576,900
<b>Changes in equity</b>				
Dividends	-	(850,385)	-	(850,385)
Total comprehensive income	-	523,166	-	523,166
<b>Balance at 30 September 2022</b>	<u>137,500</u>	<u>13,012,181</u>	<u>5,100,000</u>	<u>18,249,681</u>
<b>Changes in equity</b>				
Total comprehensive income	-	24,011	-	24,011
<b>Balance at 30 September 2023</b>	<u>137,500</u>	<u>13,036,192</u>	<u>5,100,000</u>	<u>18,273,692</u>

The notes form part of these financial statements

**Highgrove Group Plc (Registered number: 05300988)**

**Consolidated Cash Flow Statement  
for the Year Ended 30 September 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(26,722,161)	11,401,053
Interest paid		-	(5,753)
<b>Net cash from operating activities</b>		<b>(26,722,161)</b>	<b>11,395,300</b>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(159,564)	(213,771)
Sale of tangible fixed assets		14,833	2,000
Interest received		1,465,994	1,244,640
<b>Net cash from investing activities</b>		<b>1,321,263</b>	<b>1,032,869</b>
<b>Cash flows from financing activities</b>			
Equity dividends paid		-	(850,385)
<b>Net cash from financing activities</b>		<b>-</b>	<b>(850,385)</b>
<b>(Decrease)/increase in cash and cash equivalents</b>		<b>(25,400,898)</b>	<b>11,577,784</b>
<b>Cash and cash equivalents at beginning of year</b>	2	<b>35,970,623</b>	<b>24,392,839</b>
<b>Cash and cash equivalents at end of year</b>	2	<b>10,569,725</b>	<b>35,970,623</b>

The notes form part of these financial statements

## Highgrove Group Plc (Registered number: 05300988)

### Notes to the Consolidated Cash Flow Statement for the Year Ended 30 September 2023

#### 1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit/(loss) before taxation	965,076	(2,245,677)
Depreciation charges	153,491	176,379
Profit on disposal of fixed assets	(14,833)	(2,000)
Finance costs	-	5,753
Finance income	(1,465,994)	(1,244,640)
	(362,260)	(3,310,185)
Increase in stocks	(127,792)	-
Decrease/(increase) in trade and other debtors	10,391,643	(38,739,199)
(Decrease)/increase in trade and other creditors	(36,623,752)	53,450,437
<b>Cash generated from operations</b>	<b>(26,722,161)</b>	<b>11,401,053</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 30 September 2023

	30.9.23	1.10.22
	£	£
Cash and cash equivalents	10,569,725	35,970,623

##### Year ended 30 September 2022

	30.9.22	1.10.21
	£	£
Cash and cash equivalents	35,970,623	24,392,839

#### 3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.22	Cash flow	At 30.9.23
	£	£	£
<b>Net cash</b>			
Cash at bank	35,970,623	(25,400,898)	10,569,725
	35,970,623	(25,400,898)	10,569,725
<b>Total</b>	<b>35,970,623</b>	<b>(25,400,898)</b>	<b>10,569,725</b>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements  
for the Year Ended 30 September 2023**

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**1. STATUTORY INFORMATION**

Highgrove Group Plc 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.

**2. STATEMENT OF COMPLIANCE**

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.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Reduced disclosure exemptions**

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

**Consolidation**

The financial statements consolidate the financial statements of Highgrove Group Plc and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

**Significant judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Revenue recognition**

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties, except in respect of long term contracts, where turnover represents the sales value of work done in the year calculated by reference to total sales value and stage of completion of these contracts. Turnover includes certified valuations in respect of amounts of not invoiced.

A proportion of the profits on long term contracts is taken if the final outcome can be assessed with reasonable certainty. The profit is stated after providing for known losses and contingencies. Credit for claims is not taken until the cash is received.

Where sales values attributed to long term contracts are greater than the respective cash received or invoiced amounts; the excess is shown in debtors. If the sales value is of a lower amount, then the difference is disclosed in creditors.

**Notes to the Consolidated Financial Statements - continued**  
**for the Year Ended 30 September 2023**

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**3. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Short leasehold	- over the term of the lease
Plant and machinery	- 25% on cost and 4% on cost
Fixtures and fittings	- at varying rates on cost
Motor vehicles	- 25% on cost

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Stock represents development costs associated with projects.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - written off over 10 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

**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 in other comprehensive income or 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.

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 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.

**Investments**

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

**Notes to the Consolidated Financial Statements - continued**  
for the Year Ended 30 September 2023

**3. ACCOUNTING POLICIES - continued**

**Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

**4. TURNOVER**

Turnover arises from:

	2023	2022
	£	£
Construction contracts	<u>328,433,501</u>	<u>360,254,613</u>

The whole of the turnover is attributable to the principal activity of the group wholly undertaken in the United Kingdom.

**5. OTHER OPERATING INCOME**

	2023	2022
	£	£
Feed in tariff income	<u>6,409</u>	<u>5,984</u>

**6. EMPLOYEES AND DIRECTORS**

	2023	2022
	£	£
Wages and salaries	19,019,961	13,648,010
Social security costs	2,276,470	1,666,295
Other pension costs	642,610	412,997
	<u>21,939,041</u>	<u>15,727,302</u>



## Highgrove Group Plc (Registered number: 05300988)

### Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2023

#### 6. EMPLOYEES AND DIRECTORS - continued

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

	2023	2022
Management Staff	4	3
Management, Admin and Site Operatives	274	216
	<u>278</u>	<u>219</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 278 (2022 - 219).

	2023	2022
	£	£
Directors remuneration	373,879	59,519
Company contributions to defined contribution pension plans	25,656	25,656
	<u>399,535</u>	<u>85,175</u>

Information regarding the highest paid director for the year ended 30 September 2023 is as follows:

	2023
	£
Accrued lump sum at 30 September 2023	<u>150,650</u>

#### 7. OPERATING LOSS

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

	2023	2022
	£	£
Depreciation - owned assets	153,490	176,379
Profit on disposal of fixed assets	(14,833)	(2,000)
	<u></u>	<u></u>

#### 8. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	<u>65,000</u>	<u>55,000</u>

#### 9. INTEREST RECEIVABLE AND SIMILAR INCOME

	2023	2022
	£	£
Deposit account interest	396,870	121,561
Other interest receivable	1,069,124	1,123,079
	<u>1,465,994</u>	<u>1,244,640</u>

**Notes to the Consolidated Financial Statements - continued**  
for the Year Ended 30 September 2023

**10. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2023	2022
	£	£
Other interest payable	-	5,753
	<u>-</u>	<u>5,753</u>

**11. TAXATION**

**Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	2023	2022
	£	£
Deferred tax	144,857	(3,240,755)
Tax on profit/(loss)	144,857	(3,240,755)
	<u>144,857</u>	<u>(3,240,755)</u>

**Reconciliation of total tax charge/(credit) included in profit and loss**

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

	2023	2022
	£	£
Profit/(loss) before tax	965,076	(2,245,677)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 25% (2022 - 19%)	241,269	(426,679)
Effects of:		
Expenses not deductible for tax purposes	90,657	55,770
Capital allowances in excess of depreciation	-	(11,428)
Depreciation in excess of capital allowances	2,195	-
Utilisation of tax losses	(174,160)	(568,843)
Effect of different UK tax rates on some earnings	(20,168)	(656,876)
Research and Development claim	-	(1,673,723)
Deferred tax movement	5,064	41,024
Total tax charge/(credit)	144,857	(3,240,755)
	<u>144,857</u>	<u>(3,240,755)</u>

**12. 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.

**13. DIVIDENDS**

	2023	2022
	£	£
Ordinary Shares shares of £1 each		
Interim	-	850,385
	<u>-</u>	<u>850,385</u>

**Notes to the Consolidated Financial Statements - continued**  
for the Year Ended 30 September 2023

**14. INTANGIBLE FIXED ASSETS**

**Group**

**Goodwill**  
£

**COST**

At 1 October 2022

and 30 September 2023

2,877,561

**AMORTISATION**

At 1 October 2022

and 30 September 2023

2,877,561

**NET BOOK VALUE**

At 30 September 2023

-

At 30 September 2022

-

**15. TANGIBLE FIXED ASSETS**

**Group**

**Freehold  
property**  
£

**Short  
leasehold**  
£

**Plant and  
machinery**  
£

**COST**

At 1 October 2022

Additions

1,276,487

-

251,376

11,704

312,251

-

At 30 September 2023

1,276,487

263,080

312,251

**DEPRECIATION**

At 1 October 2022

Charge for year

162,000

26,000

90,851

34,976

264,244

3,428

At 30 September 2023

188,000

125,827

267,672

**NET BOOK VALUE**

At 30 September 2023

1,088,487

137,253

44,579

At 30 September 2022

1,114,487

160,525

48,007

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2023

15. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 October 2022	714,797	34,315	2,589,226
Additions	147,860	-	159,564
At 30 September 2023	862,657	34,315	2,748,790
<b>DEPRECIATION</b>			
At 1 October 2022	573,907	20,627	1,111,629
Charge for year	84,041	5,045	153,490
At 30 September 2023	657,948	25,672	1,265,119
<b>NET BOOK VALUE</b>			
At 30 September 2023	204,709	8,643	1,483,671
At 30 September 2022	140,890	13,688	1,477,597

Tangible assets held at valuation

In respect of tangible assets held at valuation, aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Land and building £
At 30 September 2023	
Aggregate cost	1,276,487
Aggregate depreciation	(188,000)
Carrying value	1,088,487
At 20 September 2022	
Aggregate cost	1,276,487
Aggregate depreciation	(162,000)
Carrying value	1,114,487

**Highgrove Group Plc (Registered number: 05300988)**

**Notes to the Consolidated Financial Statements - continued**  
for the Year Ended 30 September 2023

**15. TANGIBLE FIXED ASSETS - continued**

**Company**

	<b>Short leasehold £</b>	<b>Plant and machinery £</b>	<b>Totals £</b>
<b>COST</b>			
At 1 October 2022 and 30 September 2023	<b>60,000</b>	<b>85,683</b>	<b>145,683</b>
<b>DEPRECIATION</b>			
At 1 October 2022	<b>18,000</b>	<b>37,676</b>	<b>55,676</b>
Charge for year	<b>3,000</b>	<b>3,428</b>	<b>6,428</b>
At 30 September 2023	<b>21,000</b>	<b>41,104</b>	<b>62,104</b>
<b>NET BOOK VALUE</b>			
At 30 September 2023	<b>39,000</b>	<b>44,579</b>	<b>83,579</b>
At 30 September 2022	<b>42,000</b>	<b>48,007</b>	<b>90,007</b>

**16. FIXED ASSET INVESTMENTS**

**Company**

	<b>Shares in group undertakings £</b>
<b>COST</b>	
At 1 October 2022 and 30 September 2023	<b>15,046,640</b>
<b>PROVISIONS</b>	
At 1 October 2022 and 30 September 2023	<b>10,000,000</b>
<b>NET BOOK VALUE</b>	
At 30 September 2023	<b>5,046,640</b>
At 30 September 2022	<b>5,046,640</b>

# Highgrove Group Plc (Registered number: 05300988)

## Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2023

### 16. FIXED ASSET INVESTMENTS - continued

#### Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
<b>Subsidiary undertakings</b>		
GMI Construction Group Plc	Ordinary	100
GMI Construction Limited	Ordinary	100

The results and capital and reserves for group undertakings not included in the consolidated financial statements are as follows:

	Capital and reserves		Profit/(loss for the year)	
	2023	2022	2023	2022
	£	£	£	£
<b>Subsidiary undertakings</b>				
GMI Construction Group Plc	13,030,558	12,162,685	773,298	908,398
GMI Construction Limited	27,927	27,927	-	-

### 17. INVESTMENT PROPERTY Company

#### FAIR VALUE

At 1 October 2022

and 30 September 2023

**Total**  
**£**

**900,000**

#### NET BOOK VALUE

At 30 September 2023

**900,000**

At 30 September 2022

**900,000**

### 18. STOCKS

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Work-in-progress	127,792	-	127,792	-

# Highgrove Group Plc (Registered number: 05300988)

## Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2023

### 19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	32,824,818	38,598,260	104,100	34,500
Amounts recoverable on contract	28,618,812	20,987,630	-	-
Other debtors	12,250,533	24,496,548	11,620,538	23,681,687
Directors' loan accounts	138,076	309,215	138,076	309,215
VAT	-	-	245,656	225,948
Deferred tax asset	3,051,927	3,196,784	-	-
Prepayments and accrued income	3,507,376	3,339,606	2,009,733	2,714,115
	<u>80,391,542</u>	<u>90,928,043</u>	<u>14,118,103</u>	<u>26,965,465</u>

#### Deferred tax asset

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Deferred tax	3,081,224	3,196,133	-	-
Provisions deferred tax charge	(29,297)	651	-	-
	<u>3,051,927</u>	<u>3,196,784</u>	<u>-</u>	<u>-</u>

### 20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	56,060,899	80,191,421	29,705	265,233
Amounts owed to group undertakings	-	-	161,448	14,550,278
Social security and other taxes	704,645	481,667	-	-
VAT	2,641,843	9,844,662	-	-
Other creditors	637,891	788,638	66,258	274,903
Accruals and deferred income	5,710,002	11,072,644	2,074,289	1,926,722
	<u>65,755,280</u>	<u>102,379,032</u>	<u>2,331,700</u>	<u>17,017,136</u>

### 21. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

#### Group

	Non-cancellable operating leases	
	2023	2022
	£	£
Within one year	452,709	223,286
Between one and five years	599,618	219,192
In more than five years	440	1,573
	<u>1,052,767</u>	<u>444,051</u>

# Highgrove Group Plc (Registered number: 05300988)

## Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2023

### 21. LEASING AGREEMENTS - continued

There are no operating leases in the company in the current and prior year.

### 22. DEFERRED TAX

	Company	
	2023	2022
	£	£
Deferred tax		
Deferred tax	9,122	9,773
Provisions deferred tax charge	2,024	(651)
	<u>11,146</u>	<u>9,122</u>
<b>Group</b>		
		£
Balance at 1 October 2022		(3,196,784)
Provided during year		144,857
Balance at 30 September 2023		<u>(3,051,927)</u>
<b>Company</b>		
		£
Balance at 1 October 2022		9,122
Provided during year		2,024
Balance at 30 September 2023		<u>11,146</u>

### 23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2023	2022
			£	£
137,500	Ordinary Shares	£1	<u>137,500</u>	<u>137,500</u>

### 24. RESERVES

#### Group

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 October 2022	20,759,731	5,100,000	25,859,731
Profit for the year	820,219		820,219
At 30 September 2023	<u>21,579,950</u>	<u>5,100,000</u>	<u>26,679,950</u>



# Highgrove Group Plc (Registered number: 05300988)

## Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2023

### 24. RESERVES - continued

#### Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 October 2022	13,012,181	5,100,000	18,112,181
Profit for the year	24,011		24,011
At 30 September 2023	<u>13,036,192</u>	<u>5,100,000</u>	<u>18,136,192</u>

Profit and loss account

This reserve records retained earnings and accumulated losses.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

### 25. PENSION COMMITMENTS

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £642,610 (2022: £438,653).

### 26. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 September 2023 and 30 September 2022:

	2023 £	2022 £
<b>P Whitaker</b>		
Balance outstanding at start of year	(62,388)	(226,927)
Amounts advanced	200,464	429,561
Amounts repaid	-	(265,022)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>138,076</u>	<u>(62,388)</u>
<b>J Best</b>		
Balance outstanding at start of year	309,215	266,082
Amounts advanced	193,936	204,861
Amounts repaid	(503,151)	(161,728)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>309,215</u>

## Highgrove Group Plc (Registered number: 05300988)

### Notes to the Consolidated Financial Statements - continued for the Year Ended 30 September 2023

#### 27. RELATED PARTY DISCLOSURES

##### Group

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

	Transaction value		Balance owed by/(owed to)	
	2023	2022	2023	2022
	£	£	£	£
Interest received and loans from companies under common control	327,137	221,118	5,248,859	12,540,876
Interest received and loans from related parties	621,500	380,116	8,308,337	12,875,191
Purchases from related parties	(24,664)	(24,748)	(29,705)	(29,698)
Sales with related parties	-	-	-	831,541
Interest payable and loans to companies under control	-	-	100	-

##### Company

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

	Transaction value		Balance owed by/(owed to)	
	2023	2022	2023	2022
	£	£	£	£
Interest received and loans from companies under common control	327,137	221,118	5,248,859	12,540,876
Interest received and loans from related parties	621,500	380,116	8,308,337	12,875,191
Purchases from related parties	(24,664)	(24,748)	(29,705)	(29,698)
Interest payable and loans to companies under common control	-	-	100	-

#### 28. ULTIMATE CONTROLLING PARTY

In the opinion of the directors the company is controlled by the shareholders.