REGISTERED NUMBER: 00593651 (England and Wales)

GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

FOR

EGAN,REID STATIONERY CO.LIMITED

Sedulo Audit Limited
Statutory Auditors
5th Floor, Walker House
Exchange Flags
Liverpool
L2 3YL

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023

DIRECTORS:	M J Reid A R Reid C T Reid G B Davie
REGISTERED OFFICE:	Horsfield Way Bredbury Industrial Park Stockport Cheshire SK6 2SU
REGISTERED NUMBER:	00593651 (England and Wales)
AUDITORS:	Sedulo Audit Limited Statutory Auditors 5th Floor, Walker House Exchange Flags Liverpool L2 3YL

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 Directors are overall pleased with the Group's performance in 2022/23 with revenue growth of 18% now putting the business ahead of its revenue position before the outbreak of Covid19 in March 2020.

The Group operates in two principal markets of Commercial B2B and the Education Sector. Both channels saw strong double-digit growth for the year which is particularly pleasing.

The performance of Egan Reid Stationery Company Ltd was particularly impressive (represents 87% of Group revenues) delivering year on year growth of 20% and an EBITDA of £873k (6.9% v 6.4% PY) which flowed through to a healthy strengthening of the balance sheet. This was ahead of Director expectations.

We did however experience some challenges with our subsidiary company Todds Office Solutions. Bad debts were incurred of £442k across 2 separate contracts. Subsequently the Managing Director of Todds resigned and Egan Reid Stationery Company Ltd acquired the remaining 20% share capital in the business. The business has now been fully restructured, costs reduced, and overall strategic leadership is now provided by the Directors of the parent company.

Since these strong and decisive actions have been taken the business is now performing profitably in line with company budgets. While Todds financial performance has had an impact on the Group Consolidated balance sheet for the year, this is a one-off event. The Directors have every confidence in the team at Todds and are optimistic for the future of the business.

Our operations on the Isle of Man and Bradford performed well in the year.

The Directors are delighted with the effort and versatility put in by all the staff which has allowed the company to keep moving forward at a positive pace.

We have also continued to reduce our net borrowing in a market where interest rates are rising. This will help to support the bottom line moving forward.

Forward order books remain very healthy for our Fit Out & Office Furniture divisions.

While the increase in cost of living has had an impact on the wage bill, the continued strong growth in revenue along with the support of our loyal supplier base means we anticipate no net impact to the bottom line of the business.

In the current financial year FY 23/24 revenues are continuing to grow at double digit percentages across all sectors. At the time of writing this report (end Sept 2023) all divisions are operating profitably and in line with company budgets. The Company has also made strategic investments into our Print and Workwear offering and Sales personnel to continue driving revenue performance.

As previously reported we strengthened the Board with the employment of Bruce Davie who joined us in September 2022. Mr Davie focusses on the day to day running of the business while Mr Charlie Reid focusses on the Group Sales performance. Messrs Martin and Andrew Reid comprise the rest of the Board of Directors.

The directors are still actively seeking further acquisitions to add to the group and are firmly focussed on developing new product sectors to expand more sales/opportunities

Creditor payment days remain low and well within supplier terms whilst credit control remains tight on the debtor book.

Overall, the outlook for the Group is optimistic and the Directors believe the business is well placed for continued growth in spite of the current economic turbulence.

ON BEHALF OF THE BOARD:

M J Reid - Director

12 December 2023

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
The total distribution of dividends for the year ended 31 March 2023 was £358.30 per share (2022: £203.64 per share amounting to £244,372).

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

M J Reid
A R Reid
C T Reid

Other changes in directors holding office are as follows:

G B Davie - appointed 1 September 2022

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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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, Sedulo Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M J Reid - Director

12 December 2023

Opinion
We have audited the financial statements of Egan,Reid Stationery Co.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.

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.

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 four, 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.

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:

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

The primary responsibility for the prevention and detection of fraud rests with directors and management, and we cannot be expected to detect non-compliance with all laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our knowledge of the business and sector, enquiries of directors and management, and review of regulatory information and correspondence. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

We discussed with directors and management the policies and procedures in place to ensure compliance with laws and regulations and otherwise prevent, deter and detect fraud.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations identified as potentially having a material effect on the financial statements. Our procedures included review of financial statement information and testing of that information, enquiry of management and examination of relevant documentation, analytical procedures to identify unusual or unexpected relationships that may indicate fraud, and procedures to address the risk of fraud through director or management override of controls.

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

Peter Alcock (Senior Statutory Auditor)
for and on behalf of Sedulo Audit Limited
Statutory Auditors
5th Floor, Walker House
Exchange Flags
Liverpool
L2 3YL

12 December 2023

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23		31.3.22 as restated	
		£	£	£	£
TURNOVER			14,529,186		12,341,293
Cost of sales			10,902,078		8,981,682
GROSS PROFIT			3,627,108		3,359,611
Distribution costs		140,608		134,980	
Administrative expenses		3,419,263		3,207,246	
			3,559,871		3,342,226
			67,237		17,385
Other operating income			189,606		342,045
OPERATING PROFIT	4		256,843		359,430
Amounts written off investments	6		-		350,000
			256,843		9,430
Interest payable and similar expenses	7		80,781		50,961
PROFIT/(LOSS) BEFORE TAXATION			176,062		(41,531)
Tax on profit/(loss)	8		108,134		50,263
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			67,928		(91,794)
Profit/(loss) attributable to:					
Owners of the parent			140,329		(56,237)
Non-controlling interests			(72,401)		(35,557)
			67,928		(91,794)

The notes form part of these financial statements

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23 £	31.3.22 as restated £
PROFIT/(LOSS) FOR THE YEAR		67,928	(91,794)
OTHER COMPREHENSIVE INCOME			
Transfer of minority interest		(192,529)	-
Income tax relating to other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		(192,529)	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		(124,601)	(91,794)
Total comprehensive income attributable to:			
Owners of the parent		(124,601)	(91,794)

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 MARCH 2023

	Notes	31.3.23	31.3.22 as restated	1.4.21
		£	£	£
FIXED ASSETS				
Intangible assets	12	570,633	714,401	959,936
Tangible assets	13	143,889	144,721	150,579
Investments	14	-	-	100
		714,522	859,122	1,110,615
CURRENT ASSETS				
Stocks	15	688,055	663,936	570,397
Debtors	16	1,750,891	2,073,433	1,851,752
Cash at bank and in hand		332,304	104,864	102,875
		2,771,250	2,842,233	2,525,024
CREDITORS				
Amounts falling due within one year	17	(3,589,359)	(2,911,824)	(2,353,624)
NET CURRENT (LIABILITIES)/ASSETS		(818,109)	(69,591)	171,400
TOTAL ASSETS LESS CURRENT LIABILITIES		(103,587)	789,531	1,282,015
CREDITORS				
Amounts falling due after more than one year	18	(249,333)	(792,512)	(1,148,174)
PROVISIONS FOR LIABILITIES	22	(31,796)	(19,709)	(22,030)
NET (LIABILITIES)/ASSETS		(384,716)	(22,690)	111,811

The notes form part of these financial statements

continued...

CONSOLIDATED BALANCE SHEET - continued
31 MARCH 2023

	Notes	31.3.23 £	31.3.22 as restated £	1.4.21 £
CAPITAL AND RESERVES				
Called up share capital	23	1,200	1,200	1,200
Retained earnings	24	(385,916)	96,238	55,184
SHAREHOLDERS' FUNDS		(384,716)	97,438	56,384
NON-CONTROLLING INTERESTS		-	(120,128)	55,427
		(384,716)	(22,690)	111,811

The financial statements were approved by the Board of Directors and authorised for issue on 12 December 2023 and were signed on its behalf by:

A R Reid - Director

M J Reid - Director

COMPANY BALANCE SHEET
31 MARCH 2023

		31.3.23		31.3.22 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	12		53,498		107,582
Tangible assets	13		107,616		98,815
Investments	14		884,104		884,104
			1,045,218		1,090,501
CURRENT ASSETS					
Stocks	15	625,902		564,547	
Debtors	16	2,019,342		2,021,964	
Cash at bank and in hand		331,985		104,807	
		2,977,229		2,691,318	
CREDITORS					
Amounts falling due within one year	17	2,994,759		2,503,824	
NET CURRENT (LIABILITIES)/ASSETS			(17,530)		187,494
TOTAL ASSETS LESS CURRENT LIABILITIES			1,027,688		1,277,995
CREDITORS					
Amounts falling due after more than one year	18		(191,610)		(707,958)
PROVISIONS FOR LIABILITIES	22		(20,319)		(8,232)
NET ASSETS			815,759		561,805

The notes form part of these financial statements

continued...

COMPANY BALANCE SHEET - continued
31 MARCH 2023

		31.3.23		31.3.22 as restated	
	Notes	£	£	£	£
CAPITAL AND RESERVES					
Called up share capital	23		1,200		1,200
Retained earnings	24		814,559		560,605
SHAREHOLDERS' FUNDS			815,759		561,805
Company's profit for the financial year			628,408		461,667

The financial statements were approved by the Board of Directors and authorised for issue on 12 December 2023 and were signed on its behalf by:

M J Reid - Director

A R Reid - Director

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2021	1,200	396,847	398,047	(120,128)	277,919
Changes in equity					
Dividends	-	(244,372)	(244,372)	-	(244,372)
Total comprehensive income	-	(56,237)	(56,237)	-	(56,237)
Balance at 31 March 2022	1,200	96,238	97,438	(120,128)	(22,690)
Changes in equity					
Dividends	-	(429,954)	(429,954)	-	(429,954)
Total comprehensive income	-	(52,200)	(52,200)	-	(52,200)
Balance at 31 March 2023	1,200	(385,916)	(384,716)	(120,128)	(504,844)

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	1,200	235,310	236,510
Changes in equity			
Dividends	-	(136,372)	(136,372)
Total comprehensive income	-	461,667	461,667
Balance at 31 March 2022	1,200	560,605	561,805
Changes in equity			
Dividends	-	(374,454)	(374,454)
Total comprehensive income	-	628,408	628,408
Balance at 31 March 2023	1,200	814,559	815,759

The notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	31.3.23 £	31.3.22 as restated £
Cash flows from operating activities			
Cash generated from operations	1	598,013	1,079,369
Interest paid		(79,877)	(50,010)
Interest element of hire purchase payments paid		(904)	(951)
Tax paid		(50,263)	(80,012)
Net cash from operating activities		466,969	948,396
Cash flows from investing activities			
Purchase of tangible fixed assets		(35,460)	(35,270)
Sale of tangible fixed assets		2	2,500
Net cash from investing activities		(35,458)	(32,770)
Cash flows from financing activities			
Loan repayments in year		(157,996)	(264,528)
Capital repayments in year		(12,253)	12,280
Amount introduced by directors		360,113	448,415
Amount withdrawn by directors		(369,785)	(600,000)
Equity dividends paid		(429,954)	(244,372)
Net cash from financing activities		(609,875)	(648,205)
(Decrease)/increase in cash and cash equivalents		(178,364)	267,421
Cash and cash equivalents at beginning of year	2	(85,095)	(352,516)
Cash and cash equivalents at end of year	2	(263,459)	(85,095)

The notes form part of these financial statements

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

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

	31.3.23	31.3.22 as restated
	£	£
Profit/(loss) before taxation	176,062	(41,531)
Depreciation charges	179,766	211,099
Loss on disposal of fixed assets	300	3,166
Amounts written off investments	-	350,000
Finance costs	80,781	50,961
	436,909	573,695
Increase in stocks	(24,119)	(93,539)
Decrease/(increase) in trade and other debtors	290,336	(267,812)
(Decrease)/increase in trade and other creditors	(105,113)	867,025
Cash generated from operations	598,013	1,079,369

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

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	332,304	104,864
Bank overdrafts	(595,763)	(189,959)
	(263,459)	(85,095)

Year ended 31 March 2022

	31.3.22 as restated	1.4.21
	£	£
Cash and cash equivalents	104,864	102,875
Bank overdrafts	(189,959)	(455,391)
	(85,095)	(352,516)

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	104,864	227,440	332,304
Bank overdrafts	(189,959)	(405,804)	(595,763)
	(85,095)	(178,364)	(263,459)
Debt			
Finance leases	(24,209)	12,253	(11,956)
Debts falling due within 1 year	(154,148)	(3,352)	(157,500)
Debts falling due after 1 year	(331,291)	161,348	(169,943)
	(509,648)	170,249	(339,399)
Total	(594,743)	(8,115)	(602,858)

1. STATUTORY INFORMATION

Egan,Reid Stationery Co.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.

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.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The principal accounting policies adopted are set out below.

Going concern
As previously commented, the performance of Egan Reid Stationery Company Ltd was particularly pleasing this year (represents 87% of Group revenues) delivering year on year growth of 20% and an EBITDA of £873k (6.9% v 6.4% PY) which flowed through to a healthy strengthening of the Company balance sheet. This was ahead of Director expectations.

We did, however, experience challenges with our subsidiary company Todds Office Solutions Ltd. Bad debts were incurred of £442k across 2 separate contracts. Subsequently the Managing Director of Todds resigned and Egan Reid Stationery Company Ltd acquired the remaining 20% share capital in the business. The business has now been fully restructured, costs reduced, and overall strategic leadership is now provided by the Directors of the parent company.

Since these strong and decisive actions have been taken the business is now performing profitably in line with company budgets. While Todds financial performance has had an impact on the Group Consolidated balance sheet for the year, the Directors are confident this is a one-off event. The Directors have every confidence in the team at Todds and are optimistic for the future of the business.

At the time of signing these accounts, having considered the economic climate, the current financial performance of the Group, the Directors expectations and intentions for the next 12 months and the availability of working capital, the Directors are of the opinion that the Company will remain viable for the foreseeable future and therefore these financial statements have been prepared on the Going Concern basis.

Significant judgements and estimates
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

continued...

2. **ACCOUNTING POLICIES - continued**

Goodwill
Goodwill represents the excess cost of acquisition over the fair value of separable net assets of businesses acquired. Goodwill is amortised through the profit and loss account in equal instalments over the estimated useful lives of 10 years.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

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

Improvements to property	- 20% on cost
Fixtures and fittings	- 25% on reducing balance and 6.7% on cost
Motor vehicles	- 25% on reducing balance and 16.67% on cost
Computer equipment	- 25% on reducing balance and 12.5% on cost

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

continued...

2. **ACCOUNTING POLICIES - continued**

Hire purchase and leasing commitments
Assets obtained under the hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Invoice discounting
The company discounts its trade debts. The policy is to include trade debts within current assets as trade debtors and to record cash advances within creditors due within one year. Discounting fees and interest are charged to the profit and loss account when incurred. Bad debts are borne by the company and are charged to the profit and loss account when incurred.

continued...

2. **ACCOUNTING POLICIES - continued**

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

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

Other financial assets
Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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

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

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

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

continued...

2. **ACCOUNTING POLICIES - continued**

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Basic financial liabilities, including creditors and bank loans, and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

Other financial liabilities
Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Determination of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

continued...

2. **ACCOUNTING POLICIES - continued**

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

3. **EMPLOYEES AND DIRECTORS**

	31.3.23	31.3.22 as restated
	£	£
Wages and salaries	1,726,686	1,596,990
Social security costs	147,446	113,852
Other pension costs	47,509	38,734
	1,921,641	1,749,576

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

	31.3.23	31.3.22 as restated
Administration	9	15
Sales and marketing	21	21
Warehouse	12	14
Distribution	16	15
	58	65

	31.3.23	31.3.22 as restated
	£	£
Directors' remuneration	38,530	36,983
Directors' pension contributions to money purchase schemes	12,251	4,540

continued...

4. OPERATING PROFIT

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

	31.3.23	31.3.22 as restated
	£	£
Hire of plant and machinery	14,603	12,985
Depreciation - owned assets	35,990	35,462
Loss on disposal of fixed assets	300	3,166
Goodwill amortisation	143,768	175,635
Foreign exchange differences	(72)	(331)

5. AUDITORS' REMUNERATION

	31.3.23	31.3.22 as restated
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	19,000	9,000

For other services

Taxation compliance services £1,250 (2021: £1,250)
All other non-audit services £25,741 (2021: £25,637)

6. AMOUNTS WRITTEN OFF INVESTMENTS

	31.3.23	31.3.22 as restated
	£	£
Amounts w/o invs	-	350,000

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.23	31.3.22 as restated
	£	£
Bank interest	8,123	2,316
Bank loan interest	25,807	18,255
Interest on directors' loan	45,947	29,439
Hire purchase	904	951
	80,781	50,961

continued...

8. TAXATION

Analysis of the tax charge

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

	31.3.23	31.3.22 as restated
	£	£
Current tax:		
UK corporation tax	96,047	52,584
Deferred tax	12,087	(2,321)
Tax on profit/(loss)	108,134	50,263

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:

	31.3.23	31.3.22 as restated
	£	£
Profit/(loss) before tax	176,062	(41,531)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19 % (2022 - 19 %)	33,452	(7,891)
Effects of:		
Expenses not deductible for tax purposes	16,241	43,495
Depreciation in excess of capital allowances	14,148	16,980
Adjustments to tax charge in respect of previous periods	32,206	-
Deferred tax	12,087	(2,321)
Total tax charge	108,134	50,263

Tax effects relating to effects of other comprehensive income

	31.3.23		
	Gross	Tax	Net
	£	£	£
Transfer of minority interest	(192,529)	-	(192,529)

9. INDIVIDUAL INCOME STATEMENT

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

continued...

10. DIVIDENDS

	31.3.23	31.3.22 as restated
	£	£
Ordinary shares of £1 each		
Final	429,954	136,372
Interim	-	108,000
	429,954	244,372

11. PRIOR YEAR ADJUSTMENT

The investment in a subsidiary company, Todds Centenary Limited, of which an 80% interest acquired in 2019 was overstated by £350,000 and has been corrected by way of a prior year adjustment.

12. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
At 1 April 2022	
and 31 March 2023	2,164,570
AMORTISATION	
At 1 April 2022	1,450,169
Amortisation for year	143,768
At 31 March 2023	1,593,937
NET BOOK VALUE	
At 31 March 2023	570,633
At 31 March 2022	714,401

continued...

12. INTANGIBLE FIXED ASSETS - continued

Company

	Goodwill £
COST	
At 1 April 2022 and 31 March 2023	1,267,729
AMORTISATION	
At 1 April 2022	1,160,147
Amortisation for year	54,084
At 31 March 2023	1,214,231
NET BOOK VALUE	
At 31 March 2023	53,498
At 31 March 2022	107,582

13. TANGIBLE FIXED ASSETS

Group

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2022	132,712	192,965	103,750	136,901	566,328
Additions	-	4,484	-	30,976	35,460
Disposals	-	-	(3,984)	-	(3,984)
Reclassification/transfer	-	11,009	(11,009)	-	-
At 31 March 2023	132,712	208,458	88,757	167,877	597,804
DEPRECIATION					
At 1 April 2022	132,712	126,972	59,902	102,021	421,607
Charge for year	-	11,148	13,177	11,665	35,990
Eliminated on disposal	-	-	(3,682)	-	(3,682)
Reclassification/transfer	-	11,009	(11,009)	-	-
At 31 March 2023	132,712	149,129	58,388	113,686	453,915
NET BOOK VALUE					
At 31 March 2023	-	59,329	30,369	54,191	143,889
At 31 March 2022	-	65,993	43,848	34,880	144,721

continued...

13. TANGIBLE FIXED ASSETS - continued

Company

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2022	132,712	127,342	37,312	136,901	434,267
Additions	-	4,484	-	30,976	35,460
At 31 March 2023	132,712	131,826	37,312	167,877	469,727
DEPRECIATION					
At 1 April 2022	132,712	71,714	29,005	102,021	335,452
Charge for year	-	8,871	6,123	11,665	26,659
At 31 March 2023	132,712	80,585	35,128	113,686	362,111
NET BOOK VALUE					
At 31 March 2023	-	51,241	2,184	54,191	107,616
At 31 March 2022	-	55,628	8,307	34,880	98,815

14. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2022 and 31 March 2023	884,104
NET BOOK VALUE	
At 31 March 2023	884,104
At 31 March 2022	884,104

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

Subsidiaries

Education Express Limited
Registered office: Horsfield Way, Bredbury Industrial Park, Stockport, Cheshire, SK6 2SU
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

continued...

14. FIXED ASSET INVESTMENTS - continued

Todds Centenary Limited
Registered office: Horsfield Way, Bredbury, Stockport, England, SK6 2SU
Nature of business: Wholesale of office furniture and equipment

Class of shares:	% holding
Ordinary	100.00

	31.3.23	31.3.22
	£	£
Aggregate capital and reserves	(349,916)	(339,550)
Profit/(loss) for the year	45,134	(337,319)

On 28th February 2023 Egan, Reid Stationery Co Limited acquired the remaining 20% of the share capital of Todds Centenary Limited for nil consideration.

15. STOCKS

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Goods for resale	688,055	663,936	625,902	564,547

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Trade debtors	1,608,292	1,827,541	1,398,490	1,540,193
Amounts owed by group undertakings	-	-	502,781	297,986
Other debtors	2,674	21,112	-	16,038
Tax	-	32,206	-	-
Prepayments and accrued income	139,925	192,574	118,071	167,747
	1,750,891	2,073,433	2,019,342	2,021,964

continued...

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Bank loans and overdrafts (see note 19)	753,263	344,107	535,851	299,935
Hire purchase contracts (see note 20)	7,566	12,988	-	5,422
Trade creditors	1,744,001	1,562,735	1,679,803	1,425,032
Tax	96,584	83,006	82,549	79,836
Social security and other taxes	33,576	30,616	29,071	25,720
VAT	190,969	172,598	188,785	167,202
Other creditors	155,751	337,898	37,682	337,577
Directors' loan accounts	360,113	69,785	360,113	69,785
Accrued expenses	247,536	298,091	80,905	93,315
	3,589,359	2,911,824	2,994,759	2,503,824

Included in creditors in an amount of £132,000 that is due to a client in respect of a damages claim that was settled on 2 August 2023.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Bank loans (see note 19)	169,943	331,291	116,610	257,958
Hire purchase contracts (see note 20)	4,390	11,221	-	-
Other creditors	75,000	150,000	75,000	150,000
Directors' loan accounts	-	300,000	-	300,000
	249,333	792,512	191,610	707,958

continued...

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	595,763	189,959	398,351	165,787
Bank loans	157,500	154,148	137,500	134,148
	753,263	344,107	535,851	299,935
Amounts falling due between one and two years:				
Bank loans - 1-2 years	120,985	164,148	100,985	144,148
Amounts falling due between two and five years:				
Bank loans - 2-5 years	48,958	167,143	15,625	113,810

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	31.3.23	31.3.22 as restated
	£	£
Net obligations repayable:		
Within one year	7,566	12,988
Between one and five years	4,390	11,221
	11,956	24,209

Company

	Hire purchase contracts	
	31.3.23	31.3.22
	£	£
Net obligations repayable:		
Within one year	-	5,422

continued...

20. **LEASING AGREEMENTS - continued**

Group

	Non-cancellable operating leases	
	31.3.23	31.3.22 as restated
	£	£
Within one year	185,042	246,097
Between one and five years	114,726	212,855
	299,768	458,952

Company

	Non-cancellable operating leases	
	31.3.23	31.3.22 as restated
	£	£
Within one year	178,418	241,119
Between one and five years	104,790	212,855
	283,208	453,974

21. **SECURED DEBTS**

The following secured debts are included within creditors:

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Bank overdraft	595,763	189,959	398,351	165,787
Bank loans	327,443	485,439	-	-
Hire purchase contracts	11,956	24,209	-	5,422
Invoice discounting facility	-	259,885	-	259,885
Deferred consideration	-	-	-	225,000
	935,162	959,492	398,351	656,094

The bank loan is secured by a fixed and floating charge over the assets of the company.

Included within other creditors is an amount of £nil (2022: £259,885) in relation to a confidential invoice discounting facility that is secured upon the debtor book.

Hire purchase liabilities are secured on the fixed assets to which the finance relates.

continued...

22. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.23	31.3.22 as restated	31.3.23	31.3.22 as restated
	£	£	£	£
Deferred tax	31,796	19,709	20,319	8,232

Group

	Deferred tax £
Balance at 1 April 2022	19,709
Provided during year	12,087
Balance at 31 March 2023	31,796

Company

	Deferred tax £
Balance at 1 April 2022	8,232
Provided during year	12,087
Balance at 31 March 2023	20,319

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.23	31.3.22 as restated
			£	£
1,200	Ordinary	£1	1,200	1,200

24. RESERVES

Group

	Retained earnings £
At 1 April 2022	96,238
Profit for the year	140,329
Dividends	(429,954)
Transfer from Minority Interest	(192,529)
At 31 March 2023	(385,916)

continued...

24. RESERVES - continued

Company

	Retained earnings £
At 1 April 2022	560,605
Profit for the year	628,408
Dividends	(374,454)
At 31 March 2023	814,559

25. PENSION COMMITMENTS

The company operates defined contribution pension schemes on behalf of the directors and certain employees. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £35,908 (2022: £38,734).

26. RELATED PARTY DISCLOSURES

The only key management personnel are the directors of the company.

During the year the group paid rent of £108,000 (2022: £108,000) to The Egan Reid Stationery Company Limited Directors Pension Scheme. Rents were paid on an independent valuation of the commercial property.

The above transactions were undertaken on an arm's length basis.

MJ Reid and AR Reid are both directors of Egan Reid Stationery Company Limited and trustees and beneficiaries of The Egan Reid Stationery Company Limited Directors Pension Scheme.

Balances due to the directors and shareholders as at the balance sheet date amounted to £360,113 (2022: £369,785). The director loan balances are repayable on demand and are unsecured.

During the year, the directors charged interest on their loan account balances amounting to £45,947 (2022: £29,055). Interest is charged at 4% above bank base rate and represents charges made on loans at commercial rates.

27. ULTIMATE CONTROLLING PARTY

There is no single ultimate controlling party of the company or group.