

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTOR AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
JOHN NICHOLLS (HOLDINGS) LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2023**

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JOHN NICHOLLS (HOLDINGS) LIMITED

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

DIRECTOR: Mr P E G Nicholls

REGISTERED OFFICE: Overthorpe Road
Banbury
Oxfordshire
OX16 4TB

REGISTERED NUMBER: 04630931 (England and Wales)

AUDITORS: Bronsens
Chartered Certified Accountants
Statutory Auditors
6 Langdale Court
Witney
Oxfordshire
OX28 6FG

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

The director presents his strategic report of the company and the group for the year ended 31 March 2023.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of the development and performance of our business during the year, and its position at the end of the year. This review is consistent with the size and non-complex nature of our business as builders' and plumbers' merchants.

In the Directors opinion the group's key performance indicators are as follows;

	2023	2022
Turnover	70,029,167	67,360,026
Gross profit margin	28.55%	28.13
Net profit before tax	2,299,366	3,805,341
Net assets position	15,559,533	13,997,584

The Group has outperformed the market and gross profit percentages can vary according to the mix of trade between direct and ex stock sales.

During the year the business faced extreme pressure in terms of stock availability and price rises for goods for resale. The impact of which was managed through the ongoing review of purchasing decisions, including forward buying to minimise the impact of both stock availability and price rises. Throughout this period, we were able to maintain margins and ensure trading levels returned to satisfactory levels. The business is also mindful of the obvious dip in consumer confidence and potential impact.

The business has focused on credit management across both our customer and supplier base, as we see credit in our sector tighten. The business has also worked to review both operational processes and costs.

The group has continued to focus on ensuring that the working capital levels in the business are appropriate for an independent merchant, and reflect the growth in turnover.

Although the group faces strong competition from its rivals, the business has been geared to enable it to react to ever changing market conditions. Whilst our core business plan is to maintain growth and improve profits we continue to have flexibility to ensure that we grow the business sustainably and taking account of prevailing market conditions.

During the year the group opened a new Plumbing & Heating Branch in Towcester, Northamptonshire and Weymouth, Dorset. Shipston Bathrooms Supplies Ltd was also acquired and integrated into the group. Further strengthening John Nicholls presence in Warwickshire and along the south coast.

At this time, we are focused on margin improvement, monitoring costs and cashflow even more closely than usual to ensure the group builds on the success of this period to be in an even stronger position to continue to serve its customers.

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

SECTION 172(1) STATEMENT

The Board of Directors considers that the decisions they have made during the financial year and the way they have acted have promoted the success of the Group for the benefit of its members as a whole (having regard for the stakeholders and matters set out in s172(1)(a-f) of the act).

We are committed to delivering a high standard of Builders and Plumbers merchants within Oxfordshire, Dorset and the surrounding areas. We will continue to operate our business within tight budgetary controls and in line with our targets.

Our employees are fundamental to our future. We aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and well-being of our employees is one of our primary considerations in the way we do business.

Our duty is to provide high quality building and plumbing materials. Through our direct engagement with customers and our involvement in the Fortis Buying Group, we regularly engage with customers and suppliers to give us an understanding of their views and priorities and ensuring we are delivering products needed in the market. We have made a commitment to share the gains of our performance with customers through our loyalty reward and incentive scheme. We also aim to act responsibly and fairly in how we engage with our suppliers, customers and employees all of whom are integral to the future of our business.

As the Board of Directors, our intention is to behave responsibly towards our shareholders and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business.

ON BEHALF OF THE BOARD:



Mr P E G Nicholls - Director

Date:

25/10/2023

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

The director presents his 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 will be £210,000.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

Mr P E G Nicholls has held office during the whole of the period from 1 April 2022 to the date of this report.

Other changes in directors holding office are as follows:

Mr J A M Nicholls, Mr D J Hebdon and Mr M J Walton ceased to be directors after 31 March 2023 but prior to the date of this report.

CHARITABLE DONATIONS

During the year the group made various charitable donations totalling £7,862 (2022 - £1,855).

STREAMLINED ENERGY AND CARBON REPORTING

This report was undertaken in accordance with the Streamlined Energy and Carbon ("SECR") Reporting requirements outlined in the Companies Act (2006) for large quoted and unlisted companies which requires John Nicholls (Holdings) Ltd (John Nicholls) to report on its Greenhouse Gas (GHG) emissions.

This report contains details on annual GHG emissions and total energy consumption for John Nicholls covering our branches, offices, transport assets, and energy efficiency and environmental management actions implemented during the reporting period. This report contains our SECR disclosure for the 2022/23 reporting year.

Methodology

Scope of analysis and data collection

Over 2022/23 we have collected primary data for our buildings and company vehicle activities including: electricity consumption (kWh), gas consumption (kWh), company car mileage, company van mileage and company HGV mileage. All primary data used within this report is from 1st April 2022 - 31st March 2023.

Calculation Methodology

We have used the BEIS and Greenhouse Gas Protocol Corporate Reporting Standard (GHG Protocol) methodology for compiling this GHG data and have calculated our GHG emissions in accordance with the UK Government's reporting guidelines for Company Reporting. To ensure consistency in our reporting we are reporting all GHG emissions in units of CO₂e (carbon dioxide equivalent), and have used 2022 GHG Conversion Factors for Company Reporting, published annually by Defra and BEIS.

GHG Emissions Scopes

The following reporting scopes (as outlined by the Greenhouse Gas Protocol) are included within this disclosure:

- **Scope 1 GHG Emissions:** direct emissions from sources which the company owns or controls. This includes natural gas consumption in our buildings and fuel for company vehicles (cars, vans, and HGV's).
- **Scope 2 GHG Emissions:** indirect emissions relating solely to the generation of purchased electricity that is consumed by the company.
- **Scope 3 GHG Emissions:** indirect emissions relating to the transmission & distribution losses occurred during the distribution of the purchased electricity that is consumed by the company.

Energy Consumption

The table below displays our annual energy consumption for electricity, natural gas, company vehicles for the 2022/23 reporting year. As per SECR reporting requirements this information is presented in kilowatt hours (kWh).

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

Emissions Source	GHG Scope (GHG Protocol)	Reporting units	2021/22 1 Apr - 31 Mar	2022/23 1 Apr - 31 Mar	% Change over Baseline
Grid Electricity	Scope 2 & 3	KWh	626,076	592,744	1%
Natural Gas	Scope 1	KWh	37,138	29,335	-25%
Company cars	Scope 1	KWh	523,470	532,840	42%
Company vans	Scope 1	KWh	714,436	842,956	4%
Company HG	Scope 1	KWh	2,686,383	2,492,610	-1%
Total Energy Consumption (Kwh)			4,587,503	4,490,483	4%

GHG Emissions Reporting

In accordance with the SECR Emissions Reporting requirements outlined in the Companies Act for large companies our GHG disclosure for the 2022/23 financial year is listed below. Results have been split by Scope as outlined by the GHG Protocol calculation methodology.

GHG Emissions Scope	Result Units	2021/22 1 Apr - 31 Mar	2022/23 1 Apr - 31 Mar	% Change over Baseline
Scope 1	tonnes CO2e	1,001	986	4%
Scope 2 & 3	tonnes CO2e	133	125	-8%
Total GHG Emissi	tonnes CO2e	1,134	1,111	2%
GHG Emissions Intensity	tonnes CO2e / £m turnover	16.84	15.87	-15%

Total GHG Emissions for Scope 1, 2 and 3 for the reporting period 1st April 2022 - 31st March 2023 are 1,111 tonnes CO2e. Of our total GHG emissions Scope 1 accounts for 89% , Scope 2 for 10% and Scope 3 for 1%. Our GHG Emissions Intensity per £M turnover is 15.87 tonnes CO2e. Compared to the baseline year our total GHG emissions have increased by 2%, emissions per £M turnover have decreased by 15%.

Energy Efficiency & Environmental Management

During the reporting period, we have developed and actively marketed our range of sustainable and environmental products including insulation and air-source heat pumps to help our customers meet certain greenhouse gas targets. In addition, we are actively working on trying to reduce the business' use of paper products by sending documents to customers and suppliers digitally. We are regularly monitoring our motor fleet to remove less efficient vehicles and to replace them by cleaner and in most cases hybrid or electric models. There have also been ongoing discussions with staff regarding our energy usage and where possible, we continue to replace our lighting systems with efficient LEDs.

To support our staff to transition to electric vehicles we have supported the installation of home-based electric chargers.

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

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Group Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

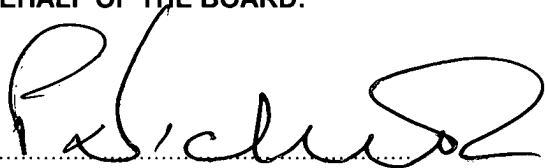
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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 director is 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 he 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.

ON BEHALF OF THE BOARD:



Mr P E G Nicholls - Director

Date:

25/10/2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN NICHOLLS (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of John Nicholls (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Comprehensive Income, Consolidated 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 director's 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our conclusion 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 Director 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 Director have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN NICHOLLS (HOLDINGS) LIMITED

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 Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page six, the director is 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 director determines 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 director is 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 director either intends to liquidate the group or the parent company or to cease operations, or has 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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
JOHN NICHOLLS (HOLDINGS) LIMITED**

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.



Philip Burton BSc, FCA (Senior Statutory Auditor)
for and on behalf of Bronsens
Chartered Certified Accountants
Statutory Auditors
6 Langdale Court
Witney
Oxfordshire
OX28 6FG

Date:25/10/2023.....

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

	Notes	31.3.23 £	31.3.22 £
TURNOVER	3	70,029,167	67,360,026
Cost of sales		50,037,679	48,412,574
GROSS PROFIT		19,991,488	18,947,452
Administrative expenses		17,710,753	15,246,643
		2,280,735	3,700,809
Other operating income	4	39,955	109,638
OPERATING PROFIT	7	2,320,690	3,810,447
Interest receivable and similar income	8	19,045	9,450
		2,339,735	3,819,897
Amounts written off investments	9	32,358	-
		2,307,377	3,819,897
Interest payable and similar expenses	10	8,011	14,556
PROFIT BEFORE TAXATION		2,299,366	3,805,341
Tax on profit	11	527,417	829,692
PROFIT FOR THE FINANCIAL YEAR		1,771,949	2,975,649
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,771,949	
Prior year adjustment			(1,980,171)
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT			995,478
Profit attributable to: Owners of the parent		1,771,949	2,975,649
Total comprehensive income attributable to: Owners of the parent		1,771,949	995,478

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET
31 MARCH 2023

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Intangible assets	15	394,542	641,742
Tangible assets	16	4,916,579	4,941,495
Investments	17	324,017	3,375
Investment property	18	390,000	390,000
		<u>6,025,138</u>	<u>5,976,612</u>
CURRENT ASSETS			
Stocks	19	9,453,232	8,612,917
Debtors	20	9,957,215	9,226,751
Cash at bank and in hand		1,876,674	2,760,493
		<u>21,287,121</u>	<u>20,600,161</u>
CREDITORS			
Amounts falling due within one year	21	11,626,953	12,482,319
NET CURRENT ASSETS		<u>9,660,168</u>	<u>8,117,842</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>15,685,306</u>	<u>14,094,454</u>
CREDITORS			
Amounts falling due after more than one year	22	(35,082)	(20,052)
PROVISIONS FOR LIABILITIES	26	(90,691)	(76,818)
NET ASSETS		<u>15,559,533</u>	<u>13,997,584</u>
CAPITAL AND RESERVES			
Called up share capital	27	8,400	8,400
Revaluation reserve		539,245	539,245
Capital redemption reserve		604	604
Retained earnings		15,011,284	13,449,335
SHAREHOLDERS' FUNDS		<u>15,559,533</u>	<u>13,997,584</u>

The financial statements were approved by the director and authorised for issue on 25.10.2023 and were signed by:

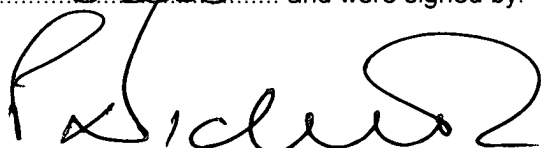


Mr P E G Nicholls - Director

COMPANY BALANCE SHEET
31 MARCH 2023

	Notes	31.3.23 £	£	31.3.22 £	£
FIXED ASSETS					
Intangible assets	15		394,543		641,743
Tangible assets	16		3,680,000		3,680,000
Investments	17		8,565		8,565
Investment property	18		390,000		390,000
			<u>4,473,108</u>		<u>4,720,308</u>
CURRENT ASSETS					
Debtors	20	1,396,501		1,901,639	
Cash at bank		24,919		59,529	
		<u>1,421,420</u>		<u>1,961,168</u>	
CREDITORS					
Amounts falling due within one year	21	38,017		153,529	
NET CURRENT ASSETS			<u>1,383,403</u>		<u>1,807,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,856,511		6,527,947
PROVISIONS FOR LIABILITIES	26		<u>37,946</u>		<u>37,946</u>
NET ASSETS			<u><u>5,818,565</u></u>		<u><u>6,490,001</u></u>
CAPITAL AND RESERVES					
Called up share capital	27		8,400		8,400
Revaluation reserve			1,756,590		1,756,590
Capital redemption reserve			4		4
Retained earnings			<u>4,053,571</u>		<u>4,725,007</u>
SHAREHOLDERS' FUNDS			<u><u>5,818,565</u></u>		<u><u>6,490,001</u></u>
Company's loss for the financial year			<u>(461,436)</u>		<u>(167,776)</u>

The financial statements were approved by the director and authorised for issue on 25.10.2023 and were signed by:



Mr P E G Nicholls - Director

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

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	8,400	12,663,857	539,245	604	13,212,106
Prior year adjustment	-	(1,980,171)	-	-	(1,980,171)
As restated	<u>8,400</u>	<u>10,683,686</u>	<u>539,245</u>	<u>604</u>	<u>11,231,935</u>
Changes in equity					
Dividends	-	(210,000)	-	-	(210,000)
Total comprehensive income	-	2,975,649	-	-	2,975,649
Balance at 31 March 2022	<u>8,400</u>	<u>13,449,335</u>	<u>539,245</u>	<u>604</u>	<u>13,997,584</u>
Changes in equity					
Dividends	-	(210,000)	-	-	(210,000)
Total comprehensive income	-	1,771,949	-	-	1,771,949
Balance at 31 March 2023	<u>8,400</u>	<u>15,011,284</u>	<u>539,245</u>	<u>604</u>	<u>15,559,533</u>

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

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 April 2021	8,400	3,750,581	1,756,590	4	5,515,575
Prior year adjustment	-	1,352,202	-	-	1,352,202
As restated	<u>8,400</u>	<u>5,102,783</u>	<u>1,756,590</u>	<u>4</u>	<u>6,867,777</u>
Changes in equity					
Dividends	-	(210,000)	-	-	(210,000)
Total comprehensive income	-	(167,776)	-	-	(167,776)
Balance at 31 March 2022	<u>8,400</u>	<u>4,725,007</u>	<u>1,756,590</u>	<u>4</u>	<u>6,490,001</u>
Changes in equity					
Dividends	-	(210,000)	-	-	(210,000)
Total comprehensive income	-	(461,436)	-	-	(461,436)
Balance at 31 March 2023	<u>8,400</u>	<u>4,053,571</u>	<u>1,756,590</u>	<u>4</u>	<u>5,818,565</u>

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 £
Cash flows from operating activities			
Cash generated from operations	1	1,072,973	2,467,949
Interest paid		(8,011)	(14,556)
Tax paid		(816,604)	(924,547)
Net cash from operating activities		<u>248,358</u>	<u>1,528,846</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(466,398)	(232,437)
Purchase of fixed asset investments		(353,000)	-
Sale of tangible fixed assets		3,703	52,333
Interest received		19,045	9,450
Net cash from investing activities		<u>(796,650)</u>	<u>(170,654)</u>
Cash flows from financing activities			
Capital repayments in year		(56,728)	(101,298)
Amount withdrawn by directors		(833,863)	(10,101)
New hire purchases in year		43,230	-
Equity dividends paid		(210,000)	(210,000)
Net cash from financing activities		<u>(1,057,361)</u>	<u>(321,399)</u>
(Decrease)/increase in cash and cash equivalents		<u>(1,605,653)</u>	<u>1,036,793</u>
Cash and cash equivalents at beginning of year	2	2,760,493	1,723,700
Cash and cash equivalents at end of year	2	<u><u>1,154,840</u></u>	<u><u>2,760,493</u></u>

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 BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.3.23 £	31.3.22 £
Profit before taxation	2,299,366	3,805,341
Depreciation charges	737,065	766,104
Profit on disposal of fixed assets	(2,253)	(11,397)
Amounts written off investments	32,357	-
Finance costs	8,011	14,556
Finance income	(19,045)	(9,450)
	<u>3,055,501</u>	<u>4,565,154</u>
Increase in stocks	(840,315)	(1,672,193)
(Increase)/decrease in trade and other debtors	(213,762)	62,283
Decrease in trade and other creditors	(928,451)	(487,295)
Cash generated from operations	<u><u>1,072,973</u></u>	<u><u>2,467,949</u></u>

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	1,876,674	2,760,493
Bank overdrafts	(721,834)	-
	<u><u>1,154,840</u></u>	<u><u>2,760,493</u></u>

Year ended 31 March 2022

	31.3.22 £	1.4.21 £
Cash and cash equivalents	<u><u>2,760,493</u></u>	<u><u>1,723,700</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	2,760,493	(883,819)	1,876,674
Bank overdrafts	-	(721,834)	(721,834)
	<u>2,760,493</u>	<u>(1,605,653)</u>	<u>1,154,840</u>
Debt			
Finance leases	(76,345)	13,498	(62,847)
	<u>(76,345)</u>	<u>13,498</u>	<u>(62,847)</u>
Total	<u><u>2,684,148</u></u>	<u><u>(1,592,155)</u></u>	<u><u>1,091,993</u></u>

The notes form part of these financial statements

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

1. STATUTORY INFORMATION

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

The nature of the company's operations and principal activities are as a holding company to its subsidiaries which act as builders' and plumbers' merchants. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

2. ACCOUNTING POLICIES

General information and basis of preparing the financial statements

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

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The group profit and loss account and balance sheet consist of the financial statements of the parent company and its wholly owned subsidiaries, John Nicholls (Trading) Limited, J&Bs Limited and Heavyside Co Ltd.

Turnover

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

Turnover from the sale of goods is recognised when significant risk and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of goods.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of ten 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 or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- not provided - see below
Short leasehold	- write off over period of lease and Over the term of the lease
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Government grants

Government grants are accounted for on an accruals basis in accordance to the period to which they relate.

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

2. ACCOUNTING POLICIES - continued

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

Stocks are valued at the lower of cost, where cost is equal to the average cost price in the year, and net realisable value, after making due allowances for obsolete and slow moving items.

Net realisable value is based on estimated selling price less further costs to completion and disposal.

Taxation

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

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 taxation

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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Freehold property

Freehold property values are reviewed annually by the directors. An independent professional valuation will be obtained every five years. The directors consider that the present value of future income from freehold properties exceeds their book value.

Investments

Unlisted investments which cannot be measured at fair value reliably are shown at cost less impairment.

Other investments are measured at fair value.

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

2. ACCOUNTING POLICIES - continued**Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenses during the year. The nature of estimation means that actual outcomes could differ from those estimates.

The judgements and key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows;

Fixed assets - fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. When a review for impairment is conducted, the recoverable amount of an asset is determined based on value-in-use calculations prepared on the basis of management's assumptions and estimates.

Stock valuation - stock is valued at the lower of cost, where cost is equal to the average cost price in the year, and net realisable value, which includes, where necessary, provisions for slow moving and obsolete stock. Calculation of provisions requires judgements to be made regarding future customer demand, the competitive environment and stock loss trends.

Taxation - calculation of the Company's total tax charge requires a degree of estimation and judgement in respect of certain transactions whose ultimate tax treatment is uncertain. Where the final outcome of these tax matters differs from the amounts that were initially recorded, the tax charge and deferred tax provisions will be impacted.

Provisions - provisions for bad debts are estimates and the actual costs are dependent upon future events. Provisions are reviewed in each period, with any difference accounted for in the period in which the revision is made.

3. TURNOVER

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

Turnover arose wholly in the United Kingdom.

4. OTHER OPERATING INCOME

	31.3.23	31.3.22
	£	£
Rents received	30,000	26,727
Sundry receipts	9,955	-
Management recharge	-	62,993
Government grants	-	19,918
	<hr/>	<hr/>
	39,955	109,638
	<hr/>	<hr/>

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

5. EMPLOYEES AND DIRECTORS

	31.3.23	31.3.22
	£	£
Wages and salaries	8,904,683	8,059,004
Social security costs	985,553	854,128
Other pension costs	312,710	268,276
	<u>10,202,946</u>	<u>9,181,408</u>

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

	31.3.23	31.3.22
Employees	<u>231</u>	<u>221</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 4 (2022 - 3).

6. DIRECTORS' EMOLUMENTS

	31.3.23	31.3.22
	£	£
Directors' remuneration	906,700	937,969
Directors' pension contributions to money purchase schemes	<u>42,516</u>	<u>38,106</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>6</u>	<u>6</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	31.3.23	31.3.22
	£	£
Emoluments etc	323,058	337,465
Pension contributions to money purchase schemes	<u>-</u>	<u>22,731</u>

7. OPERATING PROFIT

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

	31.3.23	31.3.22
	£	£
Hire of plant and machinery	669,494	630,352
Other operating leases	1,294,920	1,091,510
Depreciation - owned assets	447,981	457,612
Depreciation - assets on hire purchase contracts	41,883	61,288
Profit on disposal of fixed assets	(2,253)	(11,397)
Goodwill amortisation	247,200	247,205
Auditors' remuneration	30,000	25,500
Auditors' remuneration for non audit work	<u>36,004</u>	<u>23,122</u>

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.3.23	31.3.22
	£	£
Other interest	<u>19,045</u>	<u>9,450</u>

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

9. AMOUNTS WRITTEN OFF INVESTMENTS

	31.3.23	31.3.22
	£	£
Amounts written off investments	<u>32,358</u>	<u>-</u>

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.23	31.3.22
	£	£
Bank interest	427	2,194
Hire purchase interest	7,584	12,105
Other interest	-	257
	<u>8,011</u>	<u>14,556</u>

11. TAXATION**Analysis of the tax charge**

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

	31.3.23	31.3.22
	£	£
Current tax:		
UK corporation tax	513,715	816,775
Prior year underprovision	(171)	(1,593)
Total current tax	<u>513,544</u>	<u>815,182</u>
Deferred tax	<u>13,873</u>	<u>14,510</u>
Tax on profit	<u>527,417</u>	<u>829,692</u>

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

Reconciliation of total tax charge included in profit and loss

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

	31.3.23	31.3.22
	£	£
Profit before tax	<u>2,299,366</u>	<u>3,805,341</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	436,880	723,015
Effects of:		
Expenses not deductible for tax purposes	4,863	(3,055)
Depreciation in excess of capital allowances	71,972	96,815
Adjustments to tax charge in respect of previous periods	(171)	(1,593)
Deferred taxation	<u>13,873</u>	<u>14,510</u>
Total tax charge	<u>527,417</u>	<u>829,692</u>

12. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

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.

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

13. DIVIDENDS

	31.3.23 £	31.3.22 £
Ordinary A shares of £1 each Interim	105,000	105,000
Ordinary B shares of £1 each Interim	105,000	105,000
	<u>210,000</u>	<u>210,000</u>

14. PRIOR YEAR ADJUSTMENT

In the year ended 31 March 2021 the assets and liabilities of the subsidiary company, J&Bs Ltd, were hived across in to a fellow subsidiary company, John Nicholls (Trading) Ltd. In the year ended 31 March 2022 a prior period adjustment took place to account for the net assets acquired and settled by way of a loan between John Nicholls (Holdings) Ltd and the subsidiary company John Nicholls (Trading) Ltd.

In addition, a further prior period adjustment in the year ended 31 March 2022 was provided to adjust the original cost values of the freehold property when acquired by the company and the subsequent deferred tax charge.

15. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 April 2022 and 31 March 2023	<u>2,465,781</u>
AMORTISATION	
At 1 April 2022	1,824,039
Amortisation for year	<u>247,200</u>
At 31 March 2023	<u>2,071,239</u>
NET BOOK VALUE	
At 31 March 2023	<u>394,542</u>
At 31 March 2022	<u>641,742</u>

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

15. INTANGIBLE FIXED ASSETS - continued

Company

	Goodwill £
COST	
At 1 April 2022	
and 31 March 2023	2,465,782
AMORTISATION	
At 1 April 2022	1,824,039
Amortisation for year	247,200
At 31 March 2023	2,071,239
NET BOOK VALUE	
At 31 March 2023	394,543
At 31 March 2022	641,743

16. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Short leasehold £	Plant and machinery £
COST OR VALUATION			
At 1 April 2022	3,680,000	4,400,329	76,513
Additions	-	150,522	10,490
Disposals	-	-	-
At 31 March 2023	3,680,000	4,550,851	87,003
DEPRECIATION			
At 1 April 2022	-	3,520,780	69,889
Charge for year	-	290,586	3,874
Eliminated on disposal	-	-	-
At 31 March 2023	-	3,811,366	73,763
NET BOOK VALUE			
At 31 March 2023	3,680,000	739,485	13,240
At 31 March 2022	3,680,000	879,549	6,624

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

16. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION				
At 1 April 2022	706,040	908,856	614,863	10,386,601
Additions	106,300	168,333	30,753	466,398
Disposals	(1,500)	(44,313)	-	(45,813)
At 31 March 2023	810,840	1,032,876	645,616	10,807,186
DEPRECIATION				
At 1 April 2022	648,960	652,211	553,266	5,445,106
Charge for year	45,692	115,786	33,926	489,864
Eliminated on disposal	(50)	(44,313)	-	(44,363)
At 31 March 2023	694,602	723,684	587,192	5,890,607
NET BOOK VALUE				
At 31 March 2023	116,238	309,192	58,424	4,916,579
At 31 March 2022	57,080	256,645	61,597	4,941,495

Cost or valuation at 31 March 2023 is represented by:

	Freehold property £	Short leasehold £	Plant and machinery £
Valuation in 2004	2,000,000	-	-
Valuation in 2013	(120,000)	-	-
Valuation in 2014	(80,776)	-	-
Valuation in 2015	160,000	-	-
Valuation in 2021	680,000	-	-
Cost	1,040,776	4,550,851	87,003
	3,680,000	4,550,851	87,003

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2004	-	-	-	2,000,000
Valuation in 2013	-	-	-	(120,000)
Valuation in 2014	-	-	-	(80,776)
Valuation in 2015	-	-	-	160,000
Valuation in 2021	-	-	-	680,000
Cost	810,840	1,032,876	645,616	8,167,962
	810,840	1,032,876	645,616	10,807,186

Freehold land and buildings at Overthorpe Road, Banbury and Station Approach, Kidlington were valued on an open market basis on 24 August 2021 by Aitchison Raffety Property Consultants.

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

16. TANGIBLE FIXED ASSETS - continued**Group**

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

	Motor vehicles £	Computer equipment £	Totals £
COST OR VALUATION			
At 1 April 2022	152,225	56,219	208,444
Additions	57,192	-	57,192
Transfer to ownership	(52,147)	(33,913)	(86,060)
At 31 March 2023	157,270	22,306	179,576
DEPRECIATION			
At 1 April 2022	80,490	56,219	136,709
Charge for year	41,883	-	41,883
Transfer to ownership	(43,387)	(33,913)	(77,300)
At 31 March 2023	78,986	22,306	101,292
NET BOOK VALUE			
At 31 March 2023	78,284	-	78,284
At 31 March 2022	71,735	-	71,735

Company

	Freehold property £
COST OR VALUATION	
At 1 April 2022 and 31 March 2023	3,680,000
NET BOOK VALUE	
At 31 March 2023	3,680,000
At 31 March 2022	3,680,000

Cost or valuation at 31 March 2023 is represented by:

	Freehold property £
Valuation in 2004	2,000,000
Valuation in 2013	(120,000)
Valuation in 2014	(80,776)
Valuation in 2015	160,000
Valuation in 2021	680,000
Cost	1,040,776
	3,680,000

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

16. TANGIBLE FIXED ASSETS - continued**Company**

If Freehold properties had not been revalued they would have been included at the following historical cost:

	31.3.23	31.3.22
	£	£
Cost	<u>1,040,776</u>	<u>1,040,776</u>

Freehold properties were valued on an open market basis on 24 August 2021 by Aitchison Raffety Property Consultants.

17. FIXED ASSET INVESTMENTS**Group**

	Unlisted investments £
COST	
At 1 April 2022	3,375
Additions	<u>353,000</u>
At 31 March 2023	<u>356,375</u>
PROVISIONS	
Provision for year	<u>32,358</u>
At 31 March 2023	<u>32,358</u>
NET BOOK VALUE	
At 31 March 2023	<u>324,017</u>
At 31 March 2022	<u>3,375</u>

Company

	Shares in group undertakings £
COST	
At 1 April 2022 and 31 March 2023	<u>8,565</u>
NET BOOK VALUE	
At 31 March 2023	<u>8,565</u>
At 31 March 2022	<u>8,565</u>

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

17. FIXED ASSET INVESTMENTS - continued

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

Subsidiaries

John Nicholls (Trading) Ltd

Registered office: Overthorpe Road, Banbury, Oxfordshire, OX16 4TB

Nature of business: Builders and plumbers' merchants

	% holding	31.3.23	31.3.22
Class of shares:		£	£
Ordinary	100.00	9,749,369	7,515,984
Aggregate capital and reserves		2,443,385	21,052
Profit for the year			

J&Bs Ltd

Registered office: 284 Wimborne Road, Bournemouth, Dorset, BH3 7AT

Nature of business: Dormant Company

	% holding	31.3.23	31.3.22
Class of shares:		£	£
Ordinary	100.00	165	165
Aggregate capital and reserves			

Heavyside Co Ltd

Registered office: Overthorpe Industrial Estate, Overthorpe Road, Banbury, Oxfordshire, OX16 4TB

Nature of business: Dormant company

	% holding	30.9.23
Class of shares:		£
Ordinary	100.00	1
Aggregate capital and reserves		

The subsidiary company, John Nicholls (Trading) Ltd owns 3,125 of the 8,125 issued shares in Overthorpe Road Management Company Limited. This company acts as a tenant's association for the Overthorpe Industrial Estate. As this is not a company through which John Nicholls trades and as the holding is not controlling, the results of Overthorpe Road Management Company Limited have not been included in these accounts.

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

18. INVESTMENT PROPERTY**Group**

	Total £
FAIR VALUE	
At 1 April 2022 and 31 March 2023	390,000
NET BOOK VALUE	
At 31 March 2023	390,000
At 31 March 2022	390,000

Investment property at Wedgewood Road, Bicester was valued on an open market basis on 24 August 2021 by Aitchison Raffety Property Consultants.

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2005	200,000
Valuation in 2013	948
Valuation in 2021	81,987
Cost	107,065
	390,000

Company

	Total £
FAIR VALUE	
At 1 April 2022 and 31 March 2023	390,000
NET BOOK VALUE	
At 31 March 2023	390,000
At 31 March 2022	390,000

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2005	200,000
Valuation in 2013	948
Valuation in 2021	81,987
Cost	107,065
	390,000

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

18. INVESTMENT PROPERTY - continued**Company**

If Investment property had not been revalued it would have been included at the following historical cost:

	31.3.23	31.3.22
	£	£
Cost	<u>107,065</u>	<u>107,065</u>

Investment property was valued on an open market basis on 24 August 2021 by Aitchison Raffety Property Consultants.

19. STOCKS

	Group	
	31.3.23	31.3.22
	£	£
Stocks	<u>9,453,232</u>	<u>8,612,917</u>

20. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Trade debtors	8,386,817	8,167,429	-	-
Amounts owed by group undertakings	-	-	1,358,318	1,901,280
Other debtors	166,372	159,732	38,183	359
Directors' loan accounts	981,758	465,056	-	-
Prepayments	422,268	434,534	-	-
	<u>9,957,215</u>	<u>9,226,751</u>	<u>1,396,501</u>	<u>1,901,639</u>

21. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Bank loans and overdrafts (see note 23)	721,834	-	-	-
Hire purchase contracts (see note 24)	27,765	56,293	-	-
Trade creditors	8,475,029	9,081,375	-	-
Tax	163,715	466,775	-	-
Social security and other taxes	361,658	333,109	-	-
VAT	382,144	401,272	4,326	4,001
Other creditors	914,605	937,277	-	-
Directors' loan accounts	50,927	368,088	-	-
Accrued expenses	529,276	838,130	33,691	149,528
	<u>11,626,953</u>	<u>12,482,319</u>	<u>38,017</u>	<u>153,529</u>

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

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

	Group	
	31.3.23	31.3.22
	£	£
Hire purchase contracts (see note 24)	<u>35,082</u>	<u>20,052</u>

23. LOANS

An analysis of the maturity of loans is given below:

	Group	
	31.3.23	31.3.22
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>721,834</u>	<u>-</u>

24. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	31.3.23	31.3.22
	£	£
Net obligations repayable:		
Within one year	27,765	56,293
Between one and five years	<u>35,082</u>	<u>20,052</u>
	<u>62,847</u>	<u>76,345</u>

Group

	Non-cancellable operating leases	
	31.3.23	31.3.22
	£	£
Within one year	1,802,617	1,690,320
Between one and five years	3,835,064	3,751,314
In more than five years	<u>892,817</u>	<u>830,928</u>
	<u>6,530,498</u>	<u>6,272,562</u>

Lease payments recognised as an expense in the year was £1,820,658 (2022 - £1,722,377).

The hire purchase contracts are secured on the related assets.

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

25. SECURED DEBTS

Royal Bank of Scotland plc hold a mortgage debenture dated 14 January 2011, as security over the bank overdrafts, incorporating a fixed and floating charge over all the current and future assets of the subsidiary company John Nicholls (Trading) Limited and a legal charge over Overthorpe Road, Banbury OX16 4TB and Unit 1 Station Field Industrial Estate, Kidlington, OX5 1JD.

In addition, Royal Bank of Scotland plc hold a debenture dated 28 October 2014 incorporating a fixed and floating charge over all the current and future assets of the subsidiary company J&Bs Limited.

The Invoice Finance Accounts are secured by a charge over the trade debtors of the group.

26. PROVISIONS FOR LIABILITIES

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Deferred tax				
Accelerated capital allowances	52,745	38,872	-	-
Other timing differences	37,946	37,946	37,946	37,946
	<u>90,691</u>	<u>76,818</u>	<u>37,946</u>	<u>37,946</u>

Group

	Deferred tax £
Balance at 1 April 2022	76,818
Charge to Statement of Comprehensive Income during year	13,873
	<u>90,691</u>

Company

	Deferred tax £
Balance at 1 April 2022	37,946
Balance at 31 March 2023	<u>37,946</u>

27. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.23	31.3.22
			£	£
3,600	Ordinary	£1	3,600	3,600
2,400	Ordinary A	£1	2,400	2,400
2,400	Ordinary B	£1	2,400	2,400
			<u>8,400</u>	<u>8,400</u>

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

27. CALLED UP SHARE CAPITAL - continued

At 31 March 2023 1,500 Ordinary shares were owned by the J E Nicholls Discretionary Settlement, 1,500 Ordinary shares by the H C Nicholls Discretionary Settlement, 300 Ordinary shares by Mr J A M Nicholls and 300 Ordinary shares by Mr P E G Nicholls. 2,400 Ordinary A shares by Mr P E G Nicholls, 1,979 Ordinary B shares by the John Nicholls 1999 Trust and 421 by Mr J A M Nicholls. Mr J A M Nicholls has a beneficial interest in the J E Nicholls Discretionary Settlement and John Nicholls 1999 Trust and Mr P E G Nicholls has a beneficial interest in the H C Nicholls Discretionary Settlement.

28. PENSION COMMITMENTS

The group operates a money purchase (defined contribution) pension scheme for its directors and employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £312,710 (2022 - £268,276). As at 31 March 2023 £nil (2022 - £46,117) was outstanding and is included in other creditors.

29. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 March 2023 and 31 March 2022:

	31.3.23 £	31.3.22 £
Mr D J Hebdon		
Balance outstanding at start of year	465,056	454,297
Amounts advanced	594,327	77,009
Amounts repaid	(77,625)	(66,250)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>981,758</u>	<u>465,056</u>

Included in creditors due within one year is a loan made to the company from the directors totalling £50,927 (2022 - £368,088).

During the year the subsidiary companies sold £73,107 (2022 - £40,075) of goods to directors and at 31 March 2023 the directors owed the group £23,787 (2022 - £4,944) for goods.

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

30. RELATED PARTY DISCLOSURES

In addition, the directors also own shares in AN Lightside Properties Ltd, AN Lightside Holdings Ltd, Heavyside Holdings Ltd, John Nicholls Management Ltd, Overthorpe Road Management Co Ltd, Whitemoor Developments Ltd, Wimborne Town Football Club Ltd and John Nicholls Racing LLP and are therefore all related parties.

John Nicholls (Trading) Ltd leases a property from Whitemoor Developments Ltd, total costs for the year in relation to this were £36,000 (2022 - £36,000). No balance was outstanding as at 31 March 2023 (2022 - £nil). In addition, John Nicholls (Trading) Ltd sold £106 (2022 - £618) of goods in the year to Whitemoor Developments Ltd. As at 31 March 2023 £nil (2022 - £396) was outstanding in respect of these goods.

During the year John Nicholls (Trading) Ltd paid sponsorship costs to Wimborne Town Football Club Ltd of £20,350 (2022 - £26,900). No balance was outstanding as at 31 March 2023 (2022 - £nil). In addition, John Nicholls (Trading) Ltd sold £435 (2022 - £56) of goods in the year to Wimborne Town Football Club Ltd. As at 31 March 2023 £nil (2022 - £28) was outstanding in respect of these goods.

During the year John Nicholls (Trading) Ltd paid maintenance costs to Overthorpe Road Management Co Ltd of £5,856 (2022 - £5,500). No balance was outstanding as at 31 March 2023 (2022 - £nil).

During the year John Nicholls (Trading) Ltd paid sponsorship costs to John Nicholls Racing LLP of £50,000 (2022 - £50,000). No balance was outstanding as at 31 March 2023 or 2022.

Details of remuneration to key management personnel are detailed in note 6 of the accounts.

31. POST BALANCE SHEET EVENTS

On the 1 May 2023 the heavyside of the business was hived-out to the subsidiary company Heavyside Co Ltd. On the 16 June 2023 a group restructure took place and Heavyside Co Ltd was sold to a 3rd party. The remaining lightside business within John Nicholls (Trading) Ltd, was part of a management buyout. At this date John Nicholls (Trading) Ltd became under the control of JN Management Ltd, a company registered in England and John Nicholls (Holdings) Ltd became under the control of Mr P E G Nicholls.

32. ULTIMATE CONTROLLING PARTY

The group was under the control of the Nicholls family throughout the current and previous year by virtue of their shareholdings.