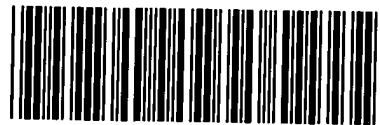


COMPANY REGISTRATION NUMBER: 09390755

Holbrook Group Holdings Ltd
Financial statements
For the year ended
31 March 2023

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Holbrook Group Holdings Ltd

Financial statements

Period from 1 January 2022 to 31 March 2023

Contents	Page
Officers and professional advisers	1
Strategic report	2
Director's report	4
Independent auditor's report to the members	6
Consolidated statement of comprehensive income	10
Consolidated statement of financial position	11
Company statement of financial position	12
Consolidated statement of changes in equity	13
Company statement of changes in equity	14
Consolidated statement of cash flows	15
Notes to the financial statements	16

Holbrook Group Holdings Ltd

Officers and professional advisers

Director

Mr R J Holbrook

Registered office

Roudham Road
East Harling
Attleborough
Norfolk
NR16 2QN

Auditor

Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Holbrook Group Holdings Ltd

Strategic report

Period from 1 January 2022 to 31 March 2023

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 year end. Our view is consistent with the size and non complex nature of our business and is written in the context of the risk and uncertainties we face.

The principal activity of the company during the year was that of a holding company to its subsidiaries. The principal activities of the subsidiaries during the year were haulage, resurfacing, plant hire, aggregate supply and the maintenance, repair of motor vehicles and the purchase and resale of vehicles.

Results

The director is pleased to report the group has had another successful trading period, despite challenges presented by inflation and the cost of living crisis. Turnover for the 15 month period has grown to £31.7m, with gross profit increasing to £4.2m. The growth has been fuelled by the investment in the vehicle fleet and increased efficiency across the company's activities.

The director is satisfied by the increase in member funds to £3.7m (2021: £2.8m).

Key performance indicators

We consider the key financial performance indicators of the group to be turnover and operating profit from continuing operations.

	2023	2021
	£	£
Turnover	31,734,213	18,514,790
Operating profit	1,475,392	1,621,756

The director is confident that the group will remain profitable in the future.

Future outlook

The business environment in which the group operates continues to be challenging. With these uncertainties in mind, the director is aware that any plans for the future development of the groups business may be subject to unforeseen events outside of other control.

The continued rising of inflation, energy prices and the overall cost of living crises means there is continued uncertainty ongoing for the next financial year. The group manages its costs where it can and looks for any efficiencies where available.

The group have secured some significant long term contracts which are expected to provide positive trading results and underpin finance commitments for the foreseeable future.

Holbrook Group Holdings Ltd

Strategic report *(continued)*

Period from 1 January 2022 to 31 March 2023

Risks

The principal risks that the group faces are a downturn in economic conditions, interest rate risk, inflation, energy price rises and credit risk. Interest rate risk is mitigated by the finance the group obtains in the form of bank loans or finance lease for asset purchases, being taken out at fixed interest rates for the duration of the finance agreement. The credit risk is mitigated by the director regularly reviewing the amounts owed to the group by customers and is in regular contact with customers.

Even if there is a bad turn in the market, we are in a strong position and currently have projects for the next three years on our books including the following:

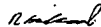
Heathrow / Associated Asphalt
British Sugar
Lagan Aviation
Tar and Chip
General Haulage

We are aware that we are heavily financed. We have equipment and lorries which are due to come off finance shortly. This is a calculated risk with £29.9 million in orders on the books for the next 3 years.

Throughout the year the director believes that the group constantly met customer expectations.

9/2/2024

This report was approved by the board of directors on and signed on behalf of the board by:



Mr R J Holbrook
Director

Registered office:
Roudham Road
East Harling
Attleborough
Norfolk
NR16 2QN

Holbrook Group Holdings Ltd

Director's report

Period from 1 January 2022 to 31 March 2023

The director presents his report and the financial statements of the group for the period ended 31 March 2023.

Director

The director who served the company during the period was as follows:

Mr R J Holbrook

Dividends

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

Disclosure of information in the strategic report

The company has prepared a strategic report in accordance with section 414C of the Companies Act 2006.

Director's responsibilities statement

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial period. 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 group and the company and 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;
- 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 transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

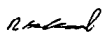
Holbrook Group Holdings Ltd

Director's report *(continued)*

Period from 1 January 2022 to 31 March 2023

This report was approved by the board of directors on^{9/2/2024} and signed on behalf of the board by:

Mr R J Holbrook
Director



Registered office:
Roudham Road
East Harling
Attleborough
Norfolk
NR16 2QN

Holbrook Group Holdings Ltd

Independent auditor's report to the members of Holbrook Group Holdings Ltd

Period from 1 January 2022 to 31 March 2023

Opinion

We have audited the financial statements of Holbrook Group Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the period ended 31 March 2023 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, 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 FRS 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's affairs as at 31 March 2023 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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 or 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.

Holbrook Group Holdings Ltd

Independent auditor's report to the members of Holbrook Group Holdings Ltd (continued)

Period from 1 January 2022 to 31 March 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 strategic report and the director's report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report 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 strategic report or the director's report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 the director

As explained more fully in the director's responsibilities statement, 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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.

Holbrook Group Holdings Ltd

Independent auditor's report to the members of Holbrook Group Holdings Ltd (continued)

Period from 1 January 2022 to 31 March 2023

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance;
- Enquiry of staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Performing audit work over the completeness of revenue by testing a sample of sales; and
- Performing audit work over the existence and the recoverability of the debtors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

Holbrook Group Holdings Ltd

Independent auditor's report to the members of Holbrook Group Holdings Ltd (continued)

Period from 1 January 2022 to 31 March 2023

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 auditor's report.

Use of our report

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

Lovewell Blake LLP

Steven Scarlett FCA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

9th February 2024

Holbrook Group Holdings Ltd

Consolidated statement of comprehensive income

Period from 1 January 2022 to 31 March 2023

		Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Turnover	Note 4	31,734,213	18,514,790
Cost of sales		(27,525,328)	(15,412,443)
Gross profit		4,208,885	3,102,347
Administrative expenses		(2,740,726)	(1,627,096)
Other operating income	5	7,233	146,505
Operating profit	6	1,475,392	1,621,756
Other interest receivable and similar income	10	162	296
Interest payable and similar expenses	11	(613,356)	(426,064)
Profit before taxation		862,198	1,195,988
Tax on profit from ordinary activities	12	284,927	(350,858)
Profit for the financial period and total comprehensive income		<u>1,147,125</u>	<u>845,130</u>

All the activities of the group are from continuing operations.

The notes on pages 16 to 30 form part of these financial statements.

Holbrook Group Holdings Ltd

Consolidated statement of financial position

31 March 2023

	Note	31 Mar 23 £	31 Dec 21 £
Fixed assets			
Tangible assets	14	12,231,650	9,211,348
Investments	15	100,000	250,000
		<u>12,331,650</u>	<u>9,461,348</u>
Current assets			
Stocks	16	1,509,647	867,842
Debtors	17	5,793,000	4,686,084
Cash at bank and in hand		142,525	442,129
		<u>7,445,172</u>	<u>5,996,055</u>
Creditors: Amounts falling due within one year	18	<u>(8,561,584)</u>	<u>(6,602,717)</u>
Net current liabilities		<u>(1,116,412)</u>	<u>(606,662)</u>
Total assets less current liabilities		11,215,238	8,854,686
Creditors: Amounts falling due after more than one year	19	(6,827,633)	(5,322,694)
Provisions	21	<u>(711,769)</u>	<u>(772,281)</u>
Net assets		<u>3,675,836</u>	<u>2,759,711</u>
Capital and reserves			
Called up share capital	25	200	200
Profit and loss account		3,675,636	2,759,511
Shareholders funds		<u>3,675,836</u>	<u>2,759,711</u>

These financial statements were approved by the board of directors and authorised for issue on 9/2/2024....., and are signed on behalf of the board by:

Mr R J Holbrook
Director



Company registration number: 09390755

The notes on pages 16 to 30 form part of these financial statements.

Holbrook Group Holdings Ltd

Company statement of financial position

31 March 2023

	Note	31 Mar 23 £	31 Dec 21 £
Fixed assets			
Tangible assets	14	728,885	728,885
Investments	15	100,458	250,656
		<u>829,343</u>	<u>979,541</u>
Current assets			
Stocks	16	33,903	33,903
Debtors	17	90,911	104,897
Cash at bank and in hand		880	16,270
		<u>125,694</u>	<u>155,070</u>
Creditors: Amounts falling due within one year	18	<u>(395,254)</u>	<u>(184,725)</u>
Net current liabilities		<u>(269,560)</u>	<u>(29,655)</u>
Total assets less current liabilities		<u>559,783</u>	<u>949,886</u>
Creditors: Amounts falling due after more than one year	19	<u>(356,413)</u>	<u>(381,662)</u>
Net assets		<u>203,370</u>	<u>568,224</u>
Capital and reserves			
Called up share capital	25	200	200
Profit and loss account		<u>203,170</u>	<u>568,024</u>
Shareholders funds		<u>203,370</u>	<u>568,224</u>

The loss for the financial period of the parent company was £133,854 (2021: £84,498).

These financial statements were approved by the board of directors and authorised for issue on ..9/2/2024....., and are signed on behalf of the board by:


Mr R J Holbrook
Director

Company registration number: 09390755

The notes on pages 16 to 30 form part of these financial statements.

Holbrook Group Holdings Ltd

Consolidated statement of changes in equity

Period from 1 January 2022 to 31 March 2023

		Called up share capital £	Profit and loss account £	Total
At 1 January 2021		200	1,939,381	1,939,581
Profit for the period		–	845,130	845,130
Total comprehensive income for the period		–	845,130	845,130
Dividends paid and payable	13	–	(25,000)	(25,000)
Total investments by and distributions to owners		–	(25,000)	(25,000)
At 31 December 2021		200	2,759,511	2,759,711
Profit for the period		–	1,147,125	1,147,125
Total comprehensive income for the period		–	1,147,125	1,147,125
Dividends paid and payable	13	–	(231,000)	(231,000)
Total investments by and distributions to owners		–	(231,000)	(231,000)
At 31 March 2023		<u>200</u>	<u>3,675,636</u>	<u>3,675,836</u>

The notes on pages 16 to 30 form part of these financial statements.

Holbrook Group Holdings Ltd

Company statement of changes in equity

Period from 1 January 2022 to 31 March 2023

		Called up share capital £	Profit and loss account £	Total £
At 1 January 2021		200	677,522	677,722
Loss for the period		—	(84,498)	(84,498)
Total comprehensive income for the period		—	(84,498)	(84,498)
Dividends paid and payable	13	—	(25,000)	(25,000)
Total investments by and distributions to owners		—	(25,000)	(25,000)
At 31 December 2021		200	568,024	568,224
Loss for the period		—	(133,854)	(133,854)
Total comprehensive income for the period		—	(133,854)	(133,854)
Dividends paid and payable	13	—	(231,000)	(231,000)
Total investments by and distributions to owners		—	(231,000)	(231,000)
At 31 March 2023		<u>200</u>	<u>203,170</u>	<u>203,370</u>

The notes on pages 16 to 30 form part of these financial statements.

Holbrook Group Holdings Ltd

Consolidated statement of cash flows

Period from 1 January 2022 to 31 March 2023

	31 Mar 23 £	31 Dec 21 £
Cash flows from operating activities		
Profit for the financial period	1,147,125	845,130
<i>Adjustments for:</i>		
Depreciation of tangible assets	2,433,624	1,306,786
Impairment of tangible assets	150,000	100,000
Other interest receivable and similar income	(162)	(296)
Interest payable and similar expenses	613,356	426,064
Gains on disposal of tangible assets	(27,772)	(87,426)
Tax on profit from ordinary activities	(284,927)	350,858
Accrued expenses	163,861	111,982
<i>Changes in:</i>		
Stocks	(641,805)	(179,082)
Trade and other debtors	(1,106,916)	(1,621,419)
Trade and other creditors	1,446,766	929,264
Cash generated from operations	3,893,150	2,181,861
Interest paid	(613,356)	(426,064)
Interest received	162	296
Tax received	224,415	387,630
Net cash from operating activities	<u>3,504,371</u>	<u>2,143,723</u>
Cash flows from investing activities		
Purchase of tangible assets	(1,464,402)	(570,561)
Proceeds from sale of tangible assets	53,000	289,052
Net cash used in investing activities	<u>(1,411,402)</u>	<u>(281,509)</u>
Cash flows from financing activities		
Proceeds from borrowings	(151,515)	390,499
Payments of finance lease liabilities	(2,010,058)	(1,976,099)
Dividends paid	(231,000)	(25,000)
Net cash used in financing activities	<u>(2,392,573)</u>	<u>(1,610,600)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(299,604)</u>	<u>251,614</u>
Cash and cash equivalents at beginning of period	<u>442,129</u>	<u>190,515</u>
Cash and cash equivalents at end of period	<u>142,525</u>	<u>442,129</u>

The notes on pages 16 to 30 form part of these financial statements.

Holbrook Group Holdings Ltd

Notes to the financial statements

Period from 1 January 2022 to 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Roudham Road, East Harling, Attleborough, NR16 2QN, Norfolk.

These financial statements cover the period from 1 January 2022 to 31 March 2023. The comparatives are therefore not entirely comparable.

2. Statement of compliance

The financial statements of Holbrook Group Holdings Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

Basis of preparation

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

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

Going concern

The director has evaluated the group's financial position and considers the group and company to be going concerns. The director considers that the group has adequate resources to meet its liabilities as they fall due.

The group meets its day to day working capital requirements through invoice discounting facilities. The group expects to operate within the current facilities and, bearing in mind the security provided, the director has no reason to doubt the facilities will not continue to be provided at adequate levels going forward.

On the basis that the group has traded profitably and the director expects this to continue into the future, and that adequate banking facilities will be available, the director believes that the going concern basis used to prepare these financial statements is appropriate.

Disclosure exemptions

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

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

Consolidation

The financial statements consolidate the financial statements of Holbrook Group Holdings Ltd and all of its subsidiary undertakings.

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

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

3. Accounting policies *(continued)*

Consolidation *(continued)*

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

Judgements and key sources of estimation uncertainty

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

(a) Significant judgements

The director is of the opinion that the judgements (apart from those involving estimations) that management has made in the process of applying the group's accounting policies have not had a significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

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

Investment property valuation

The investment property valuation is based on fair value which is subject to market movements. The property has previously been valued by a qualified professional valuer and is annually reassessed by the director to ensure it remains held at fair value.

Depreciation

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment and the accounting policies for the useful economic lives for each class of asset.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

3. Accounting policies *(continued)*

Operating leases

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investment property

Investment property is considered to be held at its fair value and any changes in fair value are recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	15 - 25% reducing balance
Motor vehicles	-	20 - 25% reducing balance
Fixtures, fittings and equipment	-	15 - 33% reducing balance
Property improvements	-	10 - 20% straight line

Investments

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

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Provisions

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

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

Defined contribution plans

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

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

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

4. Turnover

Turnover arises from:

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Sale of goods	15,228,528	9,236,624
Rendering of services	12,869,359	8,772,699
Airport Work	3,636,326	505,467
	<u>31,734,213</u>	<u>18,514,790</u>

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

5. Other operating income

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Government grant income	—	121,122
Other operating income	7,233	25,383
	<u>7,233</u>	<u>146,505</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Depreciation of tangible assets	2,433,624	1,306,786
Impairment of tangible assets recognised in:		
Administrative expenses	150,000	100,000
Gains on disposal of tangible assets	(27,772)	(87,426)
Impairment of trade debtors	12,161	—
	<u>2,567,013</u>	<u>1,319,360</u>

7. Auditor's remuneration

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Fees payable for the audit of the financial statements	32,000	24,100
Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	17,750	14,850

8. Staff costs

The average number of employees during the period was 118 (2021: 86).

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

8. Staff costs *(continued)*

The aggregate payroll costs incurred during the period, relating to the above, were:

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Wages and salaries	6,199,944	3,136,783
Social security costs	675,297	311,900
Other pension costs	136,306	66,678
	<u>7,011,547</u>	<u>3,515,361</u>

9. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Remuneration	63,862	51,090
Company contributions to defined contribution pension plans	<u>1,346</u>	<u>1,076</u>
	<u>65,208</u>	<u>52,166</u>

The number of directors who accrued benefits under company pension plans was as follows:

	31 Mar 23 No.	31 Dec 21 No.
Defined contribution plans	<u>1</u>	<u>1</u>

The above director's remuneration relates to amounts paid by Rory J Holbrook Limited, a 100% owned subsidiary company.

10. Other interest receivable and similar income

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Interest on cash and cash equivalents	<u>162</u>	<u>296</u>

Holbrook Group Holdings Ltd

Notes to the financial statements (continued)

Period from 1 January 2022 to 31 March 2023

11. Interest payable and similar expenses

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Interest on banks loans and overdrafts	41,082	27,152
Interest on obligations under finance leases and hire purchase contracts	540,493	339,610
Interest payable on late payment of taxes	12,781	2,575
Other interest payable and similar charges	19,000	56,727
	<u>613,356</u>	<u>426,064</u>

12. Tax on profit from ordinary activities

Major components of tax income

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Current tax:		
Adjustments in respect of prior periods	–	(1,797)
Prior period R&D claim	(224,415)	–
Total current tax	<u>(224,415)</u>	<u>(1,797)</u>
Deferred tax:		
Origination and reversal of timing differences	(60,512)	352,655
Tax on profit from ordinary activities	<u>(284,927)</u>	<u>350,858</u>

Reconciliation of tax (income)/expense

The tax assessed on the profit on ordinary activities for the period is lower than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are explained below:-

	Period from 1 Jan 22 to 31 Mar 23 £	Year to 31 Dec 21 £
Profit on ordinary activities before taxation	<u>862,198</u>	<u>1,195,988</u>
Profit on ordinary activities by rate of tax	163,818	246,238
Adjustment to tax charge in respect of prior periods	–	(1,797)
Effect of expenses not deductible for tax purposes	73,304	15,247
Effect of capital allowances and depreciation	(259,961)	(126,368)
Effect of different UK tax rates on some earnings	(37,673)	199,388
Utilisation of tax losses	–	(20,479)
Prior period R&D claim	(224,415)	–
Other	–	38,629
Tax on profit from ordinary activities	<u>(284,927)</u>	<u>350,858</u>

Holbrook Group Holdings Ltd

Notes to the financial statements (continued)

Period from 1 January 2022 to 31 March 2023

12. Tax on profit from ordinary activities (continued)

The effect of capital allowances and depreciation relates to the super deduction additional 30% in allowances which has been claimed over and above the additions value in the year. The effect of different UK tax rates on some earnings represents the increase in deferred tax due to some of it being recognised at 25% rather than 19%. This is detailed further in note 22.

13. Dividends

Dividends paid during the period (excluding those for which a liability existed at the end of the prior period):

	31 Mar 23 £	31 Dec 21 £
Dividends on equity shares	231,000	25,000

14. Tangible assets

Group	Investment property £	Plant and machinery £	Motor vehicles £	Fixtures, fittings and equipment £	Property improve- ments £	Total £
Cost						
At 1 Jan 2022	728,885	3,013,026	10,228,956	99,466	384,315	14,454,648
Additions	–	599,025	4,854,280	22,153	3,696	5,479,154
Disposals	–	(19,000)	(48,500)	–	–	(67,500)
At 31 Mar 2023	728,885	3,593,051	15,034,736	121,619	388,011	19,866,302
Depreciation						
At 1 Jan 2022	–	743,000	4,257,845	61,669	180,786	5,243,300
Charge for the period	–	454,997	1,864,079	19,852	94,696	2,433,624
Disposals	–	(5,742)	(36,530)	–	–	(42,272)
At 31 Mar 2023	–	1,192,255	6,085,394	81,521	275,482	7,634,652
Carrying amount						
At 31 Mar 2023	728,885	2,400,796	8,949,342	40,098	112,529	12,231,650
At 31 Dec 2021	728,885	2,270,026	5,971,111	37,797	203,529	9,211,348
Company						Investment property £
Cost						
At 1 Jan 2022 and 31 Mar 2023						728,885
Depreciation						
At 1 Jan 2022 and 31 Mar 2023						–
Carrying amount						
At 31 Mar 2023						728,885
At 31 Dec 2021						728,885

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

14. Tangible assets *(continued)*

Tangible assets held at valuation

Investment property has a historic cost of £758,098 and is held at its open market value of £725,000 (plus the cost of subsequent additions amounting to £3,885).

The valuation was carried out on 15 November 2018 by appropriately qualified professionals and the director does not consider the market value as at 31 March 2023 to be materially different to that as at the valuation date.

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

Group	Plant and machinery £	Motor vehicles £	Total £
At 31 Mar 2023	2,553,559	5,959,004	8,512,563
At 31 Dec 2021	2,011,313	4,401,387	6,412,700

The company has no tangible assets held under finance lease or hire purchase agreements.

15. Investments

Group	Fixed asset investments £
Cost	
At 1 Jan 2022 and 31 Mar 2023	350,000
Impairment	
At 1 Jan 2022	100,000
Impairment losses	150,000
At 31 Mar 2023	250,000
Carrying amount	
At 31 Mar 2023	100,000
At 31 Dec 2021	250,000

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

15. Investments *(continued)*

Company	Shares in group undertakings £	Fixed asset investments £	Total £
Cost			
At 1 Jan 2022	656	350,000	350,656
Additions	2	–	2
Disposals	(200)	–	(200)
At 31 Mar 2023	458	350,000	350,458
Impairment			
At 1 Jan 2022	–	100,000	100,000
Impairment losses	–	150,000	150,000
At 31 Mar 2023	–	250,000	250,000
Carrying amount			
At 31 Mar 2023	458	100,000	100,458
At 31 Dec 2021	656	250,000	250,656

Subsidiaries, associates and other investments

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

	Class of share	Percentage of shares held
Subsidiary undertakings		
Rory J Holbrook Limited	Ordinary	100
Attleborough Service Centre Limited	Ordinary	100
G T Commercials Ltd	Ordinary	100
Holbrook Tipper Hire Limited	Ordinary	100
Attleborough Service Centre (Norfolk) Limited	Ordinary	100
Rory J Holbrook (Norwich & Brandon) Limited	Ordinary	50
Crane Fruehauf Agri-Roll Limited	Ordinary	100
Crane Fruehauf Limited	Ordinary	100
G T Fruehauf Limited	Ordinary	100
G T Trailers Limited	Ordinary	100
C T Trailers Limited	Ordinary	100
A R Tilbrook Limited	Ordinary	100
Enymix Concrete Ltd	Ordinary	100
Freuhauf Trailers Limited	Ordinary	100

Holbrook Group Holdings Ltd

Notes to the financial statements (continued)

Period from 1 January 2022 to 31 March 2023

15. Investments (continued)

The principal activity of Rory J Holbrook Limited is the provision of haulage services, plant hire and aggregate supply.

The principal activity of Attleborough Service Centre (Norfolk) Limited is the maintenance and repair of motor vehicles.

The principal activity of G T Commercials Ltd is the sale of second hand vehicles and trailers.

Holbrook Tipper Hire Limited, Attleborough Service Centre Limited, Rory J Holbrook (Brandon) Limited, Crane Fruehauf Agri-Roll Limited, Crane Fruehauf Limited, G T Fruehauf Limited, G T Trailers Limited, C T Trailers Limited, A R Tilbrook Limited, Enymix Concrete Ltd and Fruehauf Trailers Limited are dormant companies.

The disposals relate to removing the investment costs in previously dissolved subsidiaries Holbrook Leisure Ltd and Holbrook Group Contracting Ltd.

16. Stocks

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Raw materials and consumables	1,244,569	759,287	33,903	33,903
Work in progress	246,578	108,555	—	—
Finished goods and goods for resale	18,500	—	—	—
	<u>1,509,647</u>	<u>867,842</u>	<u>33,903</u>	<u>33,903</u>

17. Debtors

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Trade debtors	4,845,264	3,651,892	18,600	18,600
Amounts owed by group undertakings	—	—	26,799	2,471
Prepayments and accrued income	581,822	529,664	43,906	3,541
Director's loan account	1,506	80,285	1,506	80,285
Amounts recoverable on contract	21,656	9,108	—	—
Other debtors	342,752	415,135	100	—
	<u>5,793,000</u>	<u>4,686,084</u>	<u>90,911</u>	<u>104,897</u>

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

18. Creditors: Amounts falling due within one year

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Bank loans and overdrafts	132,823	115,945	22,309	25,979
Trade creditors	2,746,437	2,090,327	5,590	9,627
Amounts owed to group undertakings	–	–	355,485	140,104
Accruals and deferred income	368,472	204,611	10,800	7,000
Social security and other taxes	344,730	67,529	1,070	2,015
Obligations under finance leases and hire purchase contracts	2,545,534	2,214,172	–	–
Invoice discounting creditor	2,240,473	1,733,091	–	–
Other creditors	183,115	177,042	–	–
	<u>8,561,584</u>	<u>6,602,717</u>	<u>395,254</u>	<u>184,725</u>

Refer to the note below for creditors: amounts falling due after more than one year for details of the bank loans.

The obligations under finance leases and hire purchase contracts are secured against the assets concerned.

The invoice discounting creditor is secured by an all assets debenture, a corporate guarantee, a personal guarantee given by Mr R J Holbrook and an unlimited warranty given by Mr R J Holbrook.

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

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Bank loans and overdrafts	588,171	756,564	356,413	381,662
Obligations under finance leases and hire purchase contracts	6,239,462	4,566,130	–	–
	<u>6,827,633</u>	<u>5,322,694</u>	<u>356,413</u>	<u>381,662</u>

The obligations under finance leases and hire purchase contracts are secured against the assets concerned.

Bank loans are made up of five separate loans. The first is a £250k loan taken out February 2021 and repayable over 5 years, being fully repaid March 2026. The interest rate is 10.2% per annum and the loan is unsecured.

The second and third loans of £106k and £85k respectively. Both are repayable over 5 years, being fully repaid March 2026. The interest rate of both is 5.06% per annum and both are unsecured.

The fourth is a £50k loan taken out August 2020 and repayable over 5 years, being fully repaid August 2026. The interest rate is 2.5% per annum and the loan is unsecured.

The fifth is a £465k loan taken out March 2019 and repayable over 14 years, being fully repaid February 2033. The interest rate is 7% per annum. The loan is secured on the investment property the company holds along with a personal guarantee given by Mr R J Holbrook for £135,000.

Amounts due in more than five years from the balance sheet date total £241,595 (2021: £259,622)

Holbrook Group Holdings Ltd

Notes to the financial statements (continued)

Period from 1 January 2022 to 31 March 2023

20. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Not later than 1 year	2,545,534	2,214,172	–	–
Later than 1 year and not later than 5 years	6,239,462	4,566,130	–	–
	<u>8,784,996</u>	<u>6,780,302</u>	<u>–</u>	<u>–</u>

21. Provisions

Group	Deferred tax (note 22)
	£
At 1 Jan 2022	772,281
Additions	3,715
Charge against provision	(64,227)
At 31 Mar 2023	<u>711,769</u>

The company does not have any provisions.

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Included in provisions (note 21)	<u>711,769</u>	<u>772,281</u>	<u>–</u>	<u>–</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Accelerated capital allowances	2,211,949	1,322,877	–	–
Unused tax losses	(1,493,844)	(545,120)	–	–
Other timing differences	(6,336)	(5,476)	–	–
	<u>711,769</u>	<u>772,281</u>	<u>–</u>	<u>–</u>

Deferred tax has been recognised based on the substantively enacted rate for the period that it is expected to unwind during, being 25%.

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £136,306 (2021: £66,678).

Holbrook Group Holdings Ltd

Notes to the financial statements (continued)

Period from 1 January 2022 to 31 March 2023

24. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Recognised in other operating income:				
Government grants recognised directly in income	<u>—</u>	<u>121,122</u>	<u>—</u>	<u>—</u>

25. Called up share capital

Authorised share capital

	31 Mar 23		31 Dec 21	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

Issued, called up and fully paid

	31 Mar 23		31 Dec 21	
	No.	£	No.	£
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

26. Analysis of changes in net debt

	At 1 Jan 2022	Cash flows	At 31 Mar 2023
	£	£	£
Cash at bank and in hand	442,129	(299,604)	142,525
Debt due within one year	(2,330,117)	(348,240)	(2,678,357)
Debt due after one year	(5,322,694)	(1,504,939)	(6,827,633)
	<u>(7,210,682)</u>	<u>(2,152,783)</u>	<u>(9,363,465)</u>

27. Operating leases

As lessor

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	Group		Company	
	31 Mar 23	31 Dec 21	31 Mar 23	31 Dec 21
	£	£	£	£
Not later than 1 year	62,000	62,000	62,000	62,000
Later than 1 year and not later than 5 years	248,000	248,000	248,000	248,000
Later than 5 years	<u>248,000</u>	<u>325,500</u>	<u>248,000</u>	<u>325,500</u>
	<u>558,000</u>	<u>635,500</u>	<u>558,000</u>	<u>635,500</u>

Operating lease receipts recognised as income during the year totalled £77,500 (2021: £62,000).

Holbrook Group Holdings Ltd

Notes to the financial statements *(continued)*

Period from 1 January 2022 to 31 March 2023

28. Contingencies

The company has given a corporate guarantee and indemnity in the form of an all asset debenture in respect of the invoice discounting borrowings of Rory J Holbrook Limited and Attleborough Service Centre (Norfolk) Limited, both 100% owned subsidiaries. At the period end the amount owed was £2,240,473 (2021: £1,733,091).

The company is part of the Holbrook Group Holdings Limited VAT group and as such has a responsibility for the liabilities of its subsidiary companies Rory J Holbrook Limited, G T Commercials Ltd and Attleborough Service Centre (Norfolk) Limited. At the reporting date, the total creditor balance for the subsidiary companies amounted to £235,909 (2021: £304,276).

29. Director's advances, credits and guarantees

During the year the director operated an interest free loan account with the company. A summary of the movements is as follows:

	2023 £	2021 £
Opening balance	80,285	29,332
Plus advances made in the period	—	50,953
Less loan repayments in the period	(78,779)	—
Closing balance	<u>1,506</u>	<u>80,285</u>

30. Controlling party

The company is controlled by Mr R J Holbrook by virtue of his majority shareholding.