

ANNUAL REPORT AND FINANCIAL  
STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2023

LENHAM STORAGE COMPANY  
LIMITED

MENZIES

---

# LENHAM STORAGE COMPANY LIMITED

---

## COMPANY INFORMATION

---

Directors	R.F. Tolhurst K.N. Abrehart A.M. Burgess A.C. Fulcher D.J. Abrehart S. L. Phibbs I. Rose
Company secretary	A.M. Burgess
Registered number	00463800
Registered office	Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY
Bankers	Barclays Bank plc 1 Churchill Place London E14 5HP

---

# LENHAM STORAGE COMPANY LIMITED

---

## CONTENTS

---

	Page
Strategic Report	1 - 3
Directors' Report	4 - 6
Independent Auditors' Report	7 - 10
Statement of Comprehensive Income	11
Statement of Financial Position	12
Statement of Changes in Equity	13
Statement of Cash Flows	14 - 15
Analysis of Net Debt	16
Notes to the Financial Statements	17 - 34

---

# LENHAM STORAGE COMPANY LIMITED

---

## STRATEGIC REPORT FOR THE YEAR ENDED 31 AUGUST 2023

---

### Introduction

Lenham Storage Company Limited hereby present the Strategic Report covering the results for the financial year ending 31 August 2023.

### Principal activities and business review

The principal activities of the company during the year were those of warehousing and haulage services with a business model centred on storing and delivering largely food and grocery products.

The company has enjoyed a successful year's trading and the results for the period and the financial position of the company are as shown in the annexed statements.

This trading year has seen stability evidenced with staff retention and recruitment efforts yielding positive results. Heavy investment again has been made in wages, something the company always believes is important but especially so during the current financial climate.

Training, staff development and internal progression has always been important to the business. The driver and warehouse training teams have grown over the trading period, both achieving a record number of pass results. The business continues to support and encourage apprenticeships.

The company were proud during the year to achieve BRCGS AA+ accreditation following an unannounced multi day audit for our sites at Aylesford and Sittingbourne at Lenham.

The company enjoys a large number of long-term partnerships with clients, many spanning more than a decade, some multiple. Several clients during the period formally renewed long term contracts and the business welcomed a number of new clients during the year.

Reinvestment back into our sites has always been key to the business, this included a fully racked, new build warehouse at our Sittingbourne site during the trading period. Heavy investment also took place in the areas of building maintenance on the Lenham site. We are also looking to purchase additional warehouse capacity in the Sittingbourne area to supplement our existing capacity at our main facility, Drywall and Education House units. The company will pursue any further opportunities in the Sittingbourne area should a suitable unit become available.

The company again addressed the issue of recruitment and retaining staff by raising pay rates in the year. This trend will continue in 2024 as a result of the living wage increase of £11.02 to £11.44 and our intention is to ensure that the existing pay rate parity throughout the company is maintained. As a business, our continued priority is to recruit experienced class 1 & 2 drivers where we can.

The company has taken delivery of two fully electric Volvo FM 490Kw 4 x 2 tractor Globetrotter vehicles with a range on one charge of 200 miles on a single charge. The three diesel generators at the Lenham site are now fully operational and will provide electrical backup for most of the onsite warehousing and offices in case of prolonged electrical outage.

The business welcomed a new team to undertake full colour label printing with investment in machines and a purpose-built facility on site to compliment the growing Contract Packing operation.

A large part of the growing fleet was replaced during the trading year with investment in both new technology and more environmentally friendly vehicles and equipment. Several projects were underway during the trading year and continue for renewable energy investment as well as both gas and electric powered vehicles.

The company did undertake a revaluation of its properties this year and these accounts reflect changes in these values. The next valuation will be in August 2026.

The company is in a strong position and well placed for the year ahead.

### Principal risks and uncertainties

The Company holds or issues financial instruments in order to achieve three main objectives, being:

---

# LENHAM STORAGE COMPANY LIMITED

---

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the Company's operations.

Transactions in financial instruments result in the Company assuming or transferring to another party one or more of the financial risks described below.

### Interest rate risk

The Company finances its operations through a combination of retained earnings and hire purchase contracts. Exposure to interest rate fluctuations is controlled by entering into fixed rate agreements.

### Credit risk

The Company's principal financial assets are trade debtors. In order to manage credit risk on these debtors the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

### Liquidity risk

The directors monitor the cash levels of the Company to ensure that there are always cash funds available to meet the day to day working capital requirements of the Company. Short term flexibility is achieved through the Company's banking arrangements.

### Non financial risks

The companies operations involve a large amount of haulage and transport and so there is a risk of delays, accidents and non-compliance with road traffic regulations.

The Company finances much of its investment in tangible fixed assets through hire purchase contracts.

### Key performance indicators

The Board utilise a number of key performance indicators to monitor and manage the business, foremost amongst these are the measurement of turnover, margins and cash flows. These measures indicate the levels of operation achieved, its profitability and the efficiency with which those profits have been turned into cash.

The company also benefited from increases in some key rates negotiated throughout the year but more significantly benefited from reducing our cost base in certain key areas. Revenues increased by 1.6% in the year (2022: 8.3%) and gross profits increased by £194,899, an increase over 2022 of 2.2%. Profit for the year before tax but after interest is £1.32m (2022: £1.74m) with a net margin reported of 2.6% (2022: 3.5%) The company continues to apply cost savings initiatives where possible and negotiate enhanced rates as and when they fall due. Building maintenance costs increased in the year and is the main reason why net profit is lower than 2022.

### Directors' statement of compliance with duty to promote the success of the Company

The directors of Lenham Storage, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised below.

A director of a company must act in the way he/she considers in good faith would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard amongst other matters to;

1. The likely consequence of any decision in the long term.
2. The interests of the Company's employees.
3. The need to foster the Company's business relationships with suppliers, customers and any others.
4. The impact of the Company's operations on the community and the environment.
5. The desirability of the Company maintaining a reputation for high standards of business conduct, and
6. The need to act fairly between members of the Company.

---

# LENHAM STORAGE COMPANY LIMITED

---

## STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

Each director of Lenham Storage is aware of their obligations on the 6 points above and can seek professional advice from independent advisors known to the Company if required. Lenham Storage has a skilled workforce, so the directors will delegate day to day decisions making to employees in the Company. At all times the board considers how the decisions they make support the Company's vision and its values and how they promote the success of the Company. The board continues to look for opportunities to expand its operations and its desire to have a Midlands hub remains its ultimate aspirational goal. The directors make strategic decisions based on the short term and long term objectives whether this involves supply chain matters or long term vision in the procuring of warehouse space both owned or rented. As such we continue to look for opportunities, especially in the Sittingbourne area, to support our existing operations there.

Directors uses its regular meetings, both formal and informally, as a way to address and meet its obligations under S172 on the Companies Act 2006 and the stakeholders of the company are discussed. The board of the company comprises the Chairman, The Managing Director, Finance Director, Transport and Warehousing Directors, IT Director, Commercial Director and Director of Risk Management. The board considers the size and composition is appropriate to its function. In the directors opinion, employees, suppliers and customers represent the stakeholders of the business and the means of their engagement are detailed below.

Employees – We rely on our employees to ensure we deliver a high quality service to our customers be it handling a pallet of stock professionally into the warehouse, administering its arrival and subsequent delivery to the end user and ensuring billing is accurate and timely. We adapt to each clients needs and each client is treated in a bespoke way. On going training is a key part of the company's approach. As an example, we have a longstanding relationship with a forklift training provider who provides forklift training for new warehouse operatives but also ongoing training to our current staff. We also employ a Driver Trainer to assess all our drivers competencies and will intervene where necessary if shortcomings in driving standards are revealed. We also employ a further Driver Trainer whose role is to teach learner both current employees and those applying directly from outside to drive 18T vehicles and guide them through their Class 2 driving test and those with existing Class 2 licenses through the Class 1 test. This has proved successful. It has added additional drivers to its existing driver pool without having to recruit from outside. The Company is committed to attracting the best people, in the appropriate area, retaining and incentivising them to deliver the companies objectives. Pay rates are continually reviewed to ensure that pay does not fall below accepted industry averages and where it can, pay rates are agreed above these averages.

Customers – Our employees and managers are constantly interacting with our customers to fulfill their requirements. We focus on customer service and this enables the Company to act as an extension of each of our customers operation. Regular contact is maintained via visits to the site, telephone calls and more recently zoom/team video conferencing calls.

Suppliers – We fully understand the role our suppliers play in the delivery of our services. And as such we ensure that our suppliers are paid within their agreed terms. We also ensure there is an open dialogue between our company and suppliers regarding our ongoing needs and requirements. The Company ensures suppliers are paid on time within agreed payment terms.

The Company maintains excellent relations with both the local borough and parish councils. During the Covid crisis the Company donated funds to the parish council that was used to provide food deliveries for the elderly and those to unable to shop due to ill health. Noise pollution is a constant issue as the site sits within a large housing area. To alleviate the problem, the Company installed an acoustic fence which runs the length of the site to reduce the noise pollution while at the same time planted spreading plants to hide the length of the fence.

The Company operates a zero tolerance approach to modern slavery and human trafficking and the Company will act at all times ethically and with integrity in its business dealings.

This report was approved by the board and signed on its behalf.

.....  
**A.M. Burgess**  
Director

Date: 29 April 2024

---

# LENHAM STORAGE COMPANY LIMITED

---

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2023

---

The directors present their report and the financial statements for the year ended 31 August 2023.

### Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Results and dividends

The profit for the year, after taxation, amounted to £992,082 (2022: £1,379,110).

### Directors

The directors who served during the year were:

R.F. Tolhurst  
K.N. Abrehart  
A.M. Burgess  
C.F. Tolhurst (resigned 17 May 2023)  
A.C. Fulcher  
D.J. Abrehart  
S. L. Pibbs  
I. Rose

### Future developments

The Company continues to respond to the challenges of the current market by reducing costs where it can, and amending its operational overhead to reflect market conditions.

### Disabled employees

Applications for employment by disabled persons are always fully considered bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure their employment by the Company continues. It is company policy that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of the other employees.

---

# LENHAM STORAGE COMPANY LIMITED

---

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### Financial instruments

Financial instruments are referred to in the strategic report.

### Engagement with employees

The Company places considerable value in the involvement of its employees and continues to keep them informed on matters affecting them as employees and on significant factors affecting the performance of the Lenham "Group". This is achieved through formal and informal meetings and employee representatives are consulted regularly on a wide range of issues affecting the employees' current and future interests.

### Statement of carbon emissions in compliance with streamlined Energy and Carbon Reporting (SECR)

Covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and information relating to energy efficiency actions.

Current reporting year (Sept 22 – Aug 23)	'000 kWh	tonnes CO <sub>2</sub> e
---	----------	--------------------------

#### Scope 1 (direct emissions)

Total emissions generated through business travel/transport	31,333	7,537	
Total emissions generated through other fuels (gas oil & propane)		3,952	898

#### Scope 2 (indirect emissions)

Total emissions generated through combustion of gas	1,114	205	
Total emissions generated through use of purchased electricity		3,792	884

**Total gross emissions**      40,191    9,524

Intensity ratio (total gross emissions/sq ft of whse space)	13 kgCO <sub>2</sub> e per sq ft
Intensity ratio (transport gross emissions/mile)	1 kgCO <sub>2</sub> e per mile

Previous reporting year (Sep 21 - Aug 22)	'000kWh	tonnes CO <sub>2</sub> e
---	---------	--------------------------

#### Scope 1 (direct emissions)

Total emissions generated through business travel/transport	32,527	7,824	
Total emissions generated through other fuels (gas oil & propane)		2,482	561

#### Scope 2 (indirect emissions)

Total emissions generated through combustion of gas	1,480	273	
Total emissions generated through use of purchased electricity		3,792	884

**Total gross emissions**      40,281    9,524

Intensity ratio (total gross emissions/sq ft of whse space)	13 kgCO <sub>2</sub> e per sq ft
Intensity ratio (transport gross emissions/mile)	1 kgCO <sub>2</sub> e per mile

### Methodology used within the calculations

The Company has used data from monthly/quarterly invoices. All calculations have been applied from the "Conversion\_Factors\_2022\_-\_Condensed\_set\_for\_most\_users" spreadsheet found on the gov.uk (Greenhouse reporting) website.



---

# LENHAM STORAGE COMPANY LIMITED

---

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

### Carbon emission efficiency actions

New measures implemented this year;

#### *At Lenham*

Shed 18 remove T5 fluorescent lights and replaced with LED Sensor lights and LED emergency lighting.  
Shed 16 remove T5 fluorescent lights and replaced with LED Sensor lights and LED emergency lighting.  
Shed 19 under mezz deck remove old LED panels and replaced with new sensor-controlled LED panels.  
Label printing room fitted out with LED panels.  
Management offices (old garden county) replaced T8 fluorescents with LED panels and downlights.  
Shed 16 gents WC (various) replaced with LED downlights with sensors and LED emergency lighting.  
Shed 19 ladies and gent's WC's (various) replaced with LED downlights with sensors and LED emergency lighting.  
Shed 19 messroom replaced T8 fluorescents with LED downlights and LED emergency lighting.

#### *At Sittingbourne*

New build fitted out with LED sensor lighting, Led Emergency lighting and LED outside perimeter lighting with photocells.  
Outside lighting (various SOX, SON and halogen) replaced with LED street lighting with individual photocell controls.

### The following carbon emission efficiency measures are under consideration for implementation during 2023

The 52.9% increase of tCO<sub>2</sub>e generated through other fuels is the result of refrigerant used by an aging air cooling system which the Company is currently replacing, however the result will only show in the following years reporting.

### Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Post balance sheet events

There have been no significant events affecting the Company since the year end.

### Auditors

The auditors, Menzies LLP, will be proposed for reappointment in accordance with section 487 (2) of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

.....  
**A.M. Burgess**  
Director

Date: 29 April 2024

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LENHAM STORAGE COMPANY LIMITED**

---

**Opinion**

We have audited the financial statements of Lenham Storage Company Limited (the 'Company') for the year ended 31 August 2023, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity 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 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 Company's affairs as at 31 August 2023 and of its 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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.

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LENHAM STORAGE COMPANY LIMITED (CONTINUED)**

---

**Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LENHAM STORAGE COMPANY LIMITED (CONTINUED)**

---

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant, including:
  - The Companies Act 2006;
  - Financial Reporting Standard 102;
  - UK employment legislation;
  - UK health and safety legislation;
  - General Data Protection Regulations;
  - DVSA; and
  - MOT testing requirements.

We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

- We understood how the Company is complying with those legal and regulatory frameworks by, making enquiries to management, those responsible for legal and compliance procedures and the company secretary.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgements made by management in its significant accounting estimates; and
  - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
  - The application of inappropriate judgements or estimation to manipulate the Company's financial position;
  - Posting of unusual journals and complex transactions;
  - The use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.

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.

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

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LENHAM STORAGE  
COMPANY LIMITED (CONTINUED)**

---

**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 Auditors' 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.

Andrew Hookway FCA (Senior Statutory Auditor)

for and on behalf of

**Menzies LLP**

Chartered Accountants & Statutory Auditor

Ashcombe House

5 The Crescent

Leatherhead

Surrey

KT22 8DY

29 April 2024

# LENHAM STORAGE COMPANY LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Turnover	4	50,075,438	49,285,671
Cost of sales		(41,030,693)	(40,435,825)
<b>Gross profit</b>		<b>9,044,745</b>	<b>8,849,846</b>
Administrative expenses		(7,540,182)	(7,035,034)
Other operating income	5	179,041	141,228
<b>Operating profit</b>		<b>1,683,604</b>	<b>1,956,040</b>
Interest receivable and similar income	9	25,202	6,904
Interest payable and similar expenses	10	(391,248)	(224,089)
Other finance income		4,000	1,000
<b>Profit before tax</b>		<b>1,321,558</b>	<b>1,739,855</b>
Tax on profit	12	(329,476)	(360,745)
<b>Profit for the financial year</b>		<b>992,082</b>	<b>1,379,110</b>
<b>Other comprehensive income for the year</b>			
Unrealised deficit on revaluation of tangible fixed assets		(912,107)	-
Actuarial gains on defined benefit pension scheme		107,000	63,000
Movement of deferred tax relating to pension surplus		(26,750)	-
Movement of deferred tax relating to revaluation		102,108	-
<b>Other comprehensive income for the year</b>		<b>(729,749)</b>	<b>63,000</b>
<b>Total comprehensive income for the year</b>		<b>262,333</b>	<b>1,442,110</b>

The notes on pages 17 to 34 form part of these financial statements.

# LENHAM STORAGE COMPANY LIMITED

REGISTERED NUMBER:00463800

## STATEMENT OF FINANCIAL POSITION AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	30,985,888	30,149,831
		<u>30,985,888</u>	<u>30,149,831</u>
<b>Current assets</b>			
Stocks		304,014	349,481
Debtors	14	11,123,454	12,949,121
Cash at bank and in hand		826,999	1,630,102
		<u>12,254,467</u>	<u>14,928,704</u>
Creditors: amounts falling due within one year	15	(12,314,557)	(14,884,015)
<b>Net current (liabilities)/assets</b>		<u>(60,090)</u>	<u>44,689</u>
<b>Total assets less current liabilities</b>		<u>30,925,798</u>	<u>30,194,520</u>
Creditors: amounts falling due after more than one year	16	(2,787,540)	(2,262,238)
<b>Provisions for liabilities</b>			
Deferred tax	20	(664,343)	(609,700)
		<u>(664,343)</u>	<u>(609,700)</u>
Pension asset		<u>191,000</u>	<u>80,000</u>
<b>Net assets</b>		<u><u>27,664,915</u></u>	<u><u>27,402,582</u></u>
<b>Capital and reserves</b>			
Called up share capital	21	2,002	2,002
Revaluation reserve	22	15,101,820	15,911,819
Profit and loss account	22	12,561,093	11,488,761
		<u><u>27,664,915</u></u>	<u><u>27,402,582</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**K.N. Abrehart**  
Director

Date: 29 April 2024

.....  
**A.M. Burgess**  
Director

Date: 29 April 2024

The notes on pages 17 to 34 form part of these financial statements.

# LENHAM STORAGE COMPANY LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 AUGUST 2023

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 September 2021</b>	<b>2,002</b>	<b>15,911,819</b>	<b>10,046,651</b>	<b>25,960,472</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	1,379,110	1,379,110
Actuarial gains on pension scheme	-	-	63,000	63,000
<b>Other comprehensive income for the year</b>	-	-	63,000	63,000
<b>Total comprehensive income for the year</b>	-	-	1,442,110	1,442,110
<b>At 1 September 2022</b>	<b>2,002</b>	<b>15,911,819</b>	<b>11,488,761</b>	<b>27,402,582</b>
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	992,082	992,082
Actuarial gains on pension scheme	-	-	107,000	107,000
Deficit on revaluation of freehold property	-	(912,107)	-	(912,107)
Deferred taxation on actuarial gain on pension scheme	-	-	(26,750)	(26,750)
Deferred tax on revaluation of freehold property	-	102,108	-	102,108
<b>Other comprehensive income for the year</b>	-	(809,999)	80,250	(729,749)
<b>Total comprehensive income for the year</b>	-	(809,999)	1,072,332	262,333
<b>At 31 August 2023</b>	<b>2,002</b>	<b>15,101,820</b>	<b>12,561,093</b>	<b>27,664,915</b>



# LENHAM STORAGE COMPANY LIMITED

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	992,082	1,379,110
<b>Adjustments for:</b>		
Depreciation of tangible assets	824,317	695,765
Impairments of fixed assets	146,327	-
Loss on disposal of tangible assets	(51,459)	(2,573)
Interest paid	391,248	224,089
Interest received	(25,202)	(6,904)
Taxation charge	255,034	282,237
Decrease/(increase) in stocks	45,467	(129,420)
Decrease/(increase) in debtors	1,336,433	(932,491)
Decrease/(increase) in amounts owed by groups	645,689	(252,511)
(Decrease) in creditors	(2,102,730)	(1,117,747)
(Decrease)/increase in amounts owed to groups	(603,660)	429,532
(Decrease) in provisions	(8,892)	(401,750)
Net fair value gain recognised in P&L relating to pension scheme	80,250	-
Corporation tax (paid)	(399,762)	(240,988)
<b>Net cash generated from operating activities</b>	<b>1,525,142</b>	<b>(73,651)</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(2,752,932)	(1,281,184)
Sale of tangible fixed assets	85,583	12,776
<b>Net cash from investing activities</b>	<b>(2,667,349)</b>	<b>(1,268,408)</b>
<b>Cash flows from financing activities</b>		
New secured loans	900,000	-
Repayment of loans	(468,168)	(408,299)
Repayment of/new finance leases	273,318	(431)
Interest paid	(391,248)	(224,089)
Interest received	25,202	6,904
<b>Net cash used in financing activities</b>	<b>339,104</b>	<b>(625,915)</b>

---

# LENHAM STORAGE COMPANY LIMITED

---

## STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

---

	2023 £	2022 £
<b>Net (decrease) in cash and cash equivalents</b>	<b>(803,103)</b>	<b>(1,967,974)</b>
Cash and cash equivalents at beginning of year	1,630,102	3,598,076
<b>Cash and cash equivalents at the end of year</b>	<b>826,999</b>	<b>1,630,102</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	826,999	1,630,102
	<b>826,999</b>	<b>1,630,102</b>

The notes on pages 17 to 34 form part of these financial statements.

---

# LENHAM STORAGE COMPANY LIMITED

---

## ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 AUGUST 2023

---

	At 1 September 2022 £	Cash flows £	New finance leases £	At 31 August 2023 £
Cash at bank and in hand	1,630,102	(803,103)	-	826,999
Debt due after 1 year	(2,037,195)	(1,100,000)	-	(3,137,195)
Debt due within 1 year	(1,508,300)	668,168	-	(840,132)
Finance leases	(484,758)	-	(273,318)	(758,076)
	<u>(2,400,151)</u>	<u>(1,234,935)</u>	<u>(273,318)</u>	<u>(3,908,404)</u>

The notes on pages 17 to 34 form part of these financial statements.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 1. General information

Lenham Storage Company Limited is a private company limited by shares incorporated in England and Wales.

The Company's registered number and registered office is disclosed on the company information page. The principal place of business is Ham Lane, Maidstone, Kent, ME17 2LH.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Revenue

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

##### Rendering of services

Revenue derived from haulage, storage and handling facilities to retail customers is recognised in the period in which the services are provided when all of the following conditions are satisfied:

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

Rental income is derived from the Company's property portfolio. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration receivable, excluding discounts, rebates, value added tax and other sales taxes.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 2. Accounting policies (continued)

#### 2.3 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance method.

Depreciation is provided on the following basis:

Plant and machinery	- 40% straight line
Motor vehicles	- 40% reducing balance
Fixtures and fittings	- 25% straight line
Computer equipment	- 50% straight line
Trailers	- 20 - 40% reducing balance

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

#### 2.4 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

#### 2.5 Stocks

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

#### 2.6 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 2. Accounting policies (continued)

#### 2.7 Finance costs

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

#### 2.8 Pensions

##### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

##### Defined benefit pension plan

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

The liability recognised in the Statement of Financial Position in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of plan assets at the reporting date (if any) out of which the obligations are to be settled.

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

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

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

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

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

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

#### 2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 2. Accounting policies (continued)

#### 2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

#### 2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

#### 2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The main judgement area in the accounts is that involving the valuation of the defined benefit pension scheme, and in turn the valuation of the pension liability.

A valuation of the scheme liability is carried out annually by the scheme actuary as at the end of the reporting period. This utilises information contained within the last triennial actuarial assessment for the scheme dated 31 January 2022 in conjunction with updated data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. Of course there is an element of estimation uncertainty due to the valuation of the scheme liability as at 31 August 2023 being based on valuation data as at 31 January 2022. In undertaking this actuarial assessment, the methodology prescribed in IAS 540 have also been used.

An independent, qualified actuary is employed to annually value the assets and obligations of the pension scheme. The directors believe this sufficiently minimises the risk of the assets and obligations of the scheme being misstated.

Another judgement area in the accounts is that involving the valuation of freehold properties. However, all properties are valued by independent RICS registered professionals. The experts are appropriately qualified and experienced therefore, the directors believe there is little risk the valuation of freehold property is materially misstated.

### 4. Turnover

Turnover is derived from the principal activity of the rendering of services within the UK. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Transport	29,764,205	29,363,648
Handling	12,029,011	11,719,360
Storage	6,142,478	5,985,012
Labelling	172,597	-
Repack	1,674,186	1,945,637
E shop	292,961	272,014
	<u>50,075,438</u>	<u>49,285,671</u>

All turnover arose within the United Kingdom.

### 5. Other operating income

	2023 £	2022 £
Rental income	179,041	141,228
	<u>179,041</u>	<u>141,228</u>



---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 6. Auditors' remuneration

During the year, the Company obtained the following services from the Company's auditors and their associates:

	2023 £	2022 £
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	42,450	39,750
Fees payable to the Company's auditors and their associates in respect of: All non-audit services not included above	<u>23,801</u>	<u>23,016</u>

### 7. Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	18,669,726	18,647,779
Social security costs	1,853,904	1,694,138
Cost of defined benefit scheme	470,944	448,694
Cost of defined contribution scheme	64,886	58,263
	<u>21,059,460</u>	<u>20,848,874</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
Office and management	63	63
Warehouse and transport	468	445
	<u>531</u>	<u>508</u>

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	1,610,968	1,481,994
Company contributions to defined contribution pension schemes	64,886	58,263
	<u>1,675,854</u>	<u>1,540,257</u>

During the year retirement benefits were accruing to 6 directors (2022 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £440,240 (2022 - £389,848).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2022 - £10,300).

### 9. Interest receivable

	2023 £	2022 £
Other interest receivable	25,202	6,904
	<u>25,202</u>	<u>6,904</u>

### 10. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	80,101	49,236
Other loan interest payable	266,508	155,170
Finance leases and hire purchase contracts	44,639	19,683
	<u>391,248</u>	<u>224,089</u>

### 11. Other finance costs

	2023 £	2022 £
Net interest on net defined benefit liability	4,000	1,000
	<u>4,000</u>	<u>1,000</u>

# LENHAM STORAGE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 12. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	200,391	282,237
Adjustments in respect of previous periods	(916)	(14,849)
	<u>199,475</u>	<u>267,388</u>
<b>Total current tax</b>	<u>199,475</u>	<u>267,388</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	129,484	74,087
Adjustments in respect of prior periods	517	19,270
	<u>130,001</u>	<u>93,357</u>
<b>Total deferred tax</b>	<u>130,001</u>	<u>93,357</u>
<b>Taxation on profit on ordinary activities</b>	<u>329,476</u>	<u>360,745</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - *higher than*) the standard rate of corporation tax in the UK of 21.52% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>1,321,558</u>	<u>1,739,855</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.52% (2022 - 19%)	283,988	331,094
<b>Effects of:</b>		
Capital allowances for year in excess of depreciation	17,053	(13,043)
Expenses not deductible for tax purposes	10,785	8,522
Chargeable gains/(losses)	14,233	-
Amounts (charged)/credited directly to STRGL or otherwise transferred	-	11,970
Adjustments to tax charge in respect of previous periods	(916)	(14,849)
Adjustments to tax charge in respect of previous periods - deferred tax	517	19,270
Remeasurement of deferred tax for changes in tax rates	3,816	17,781
<b>Total tax charge for the year</b>	<u>329,476</u>	<u>360,745</u>

#### Factors that may affect future tax charges

There are no factors that may affect future tax charges.

# LENHAM STORAGE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 13. Tangible fixed assets

	Freehold Land and buildings	Plant and machinery	Motor vehicles	Fixtures and fittings	Computer equipment	Other fixed assets	Total
	£	£	£	£	£	£	£
<b>Cost or valuation</b>							
At 1 September 2022	29,813,804	7,877,760	865,334	277,446	1,357,185	1,567,911	41,759,440
Additions	1,361,330	532,057	408,480	9,365	84,383	357,317	2,752,932
Disposals	-	-	(152,739)	-	-	-	(152,739)
Revaluations	(912,107)	-	-	-	-	-	(912,107)
At 31 August 2023	30,263,027	8,409,817	1,121,075	286,811	1,441,568	1,925,228	43,447,526
<b>Depreciation</b>							
At 1 September 2022	-	7,821,640	622,582	262,606	1,342,732	1,560,049	11,609,609
Charge for the year	-	252,290	197,453	10,484	35,610	328,480	824,317
Disposals	-	-	(118,615)	-	-	-	(118,615)
Impairment charge	146,327	-	-	-	-	-	146,327
At 31 August 2023	146,327	8,073,930	701,420	273,090	1,378,342	1,888,529	12,461,638
<b>Net book value</b>							
At 31 August 2023	30,116,700	335,887	419,655	13,721	63,226	36,699	30,985,888
At 31 August 2022	29,813,804	56,120	242,752	14,840	14,453	7,862	30,149,831

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 13. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Freehold land and buildings	30,116,700	29,813,804
	<u>30,116,700</u>	<u>29,813,804</u>

There is a fixed charge over the freehold land and buildings in place as at the balance sheet date.

The land and buildings were revalued on 31 August 2023 by external valuers, Lambert Smith Hampton in accordance with the RICS Red Book Global Standards, on an open market for existing use basis.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2023 £	2022 £
Cost	15,431,717	14,070,388
Accumulated depreciation	(1,183,128)	(1,074,173)
<b>Net book value</b>	<u>14,248,589</u>	<u>12,996,215</u>

#### Assets under hire purchase

The total expense recognised in the year in the financial statements for assets under hire purchase was £165,211 (2022: £230,232).

### 14. Debtors

	2023 £	2022 £
Trade debtors	8,608,765	10,015,925
Amounts owed by entities under common control	456,187	1,101,876
Other debtors	176,839	52,042
Prepayments and accrued income	1,881,663	1,779,278
	<u>11,123,454</u>	<u>12,949,121</u>

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

**15. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Bank loans	1,598,731	1,508,300
Trade creditors	3,860,404	5,370,857
Amounts owed to entities under common control	2,306,332	2,909,992
Corporation tax	-	42,916
Other taxation and social security	1,076,137	1,053,629
Obligations under finance lease and hire purchase contracts	349,132	259,715
Other creditors	1,765,486	2,043,456
Accruals and deferred income	1,358,335	1,695,150
	<u>12,314,557</u>	<u>14,884,015</u>

**16. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
Bank loans	2,378,596	2,037,195
Net obligations under finance leases and hire purchase contracts	408,944	225,043
	<u>2,787,540</u>	<u>2,262,238</u>

All bank loans, overdraft facilities, BACS facility and company credit card are secured over the Company's land and buildings together with a cross guarantee with Lenham Storage (Southern) Limited, Lenham Garages Limited, Fitzmaurice Carriers Limited and Lenham Storage (Midlands) Limited.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 17. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
<b>Amounts falling due within one year</b>		
Bank loans	1,598,731	1,508,300
	<u>1,598,731</u>	<u>1,508,300</u>
<b>Amounts falling due 1-2 years</b>		
Bank loans	2,378,596	1,633,200
	<u>2,378,596</u>	<u>1,633,200</u>
<b>Amounts falling due after more than 5 years</b>		
Bank loans	-	403,995
	<u>-</u>	<u>403,995</u>
	<u>3,977,327</u>	<u>3,545,495</u>

### 18. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Within one year	349,132	259,715
Between 1-5 years	408,944	225,042
	<u>758,076</u>	<u>484,757</u>

The total expense recognised in the year in the financial statements for assets under hire purchase was £165,211 (2022: £230,232).

# LENHAM STORAGE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 19. Financial instruments

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	826,999	1,630,102
Financial assets that are debt instruments measured at amortised cost	9,085,336	11,169,843
	<u>9,912,335</u>	<u>12,799,945</u>

### Financial liabilities

Financial liabilities measured at amortised cost	<u>(14,025,960)</u>	<u>16,049,707</u>
--	---------------------	-------------------

Financial assets measured at amortised cost comprise of trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors, accruals, bank loans and obligations under finance leases and hire purchase contracts.

### 20. Deferred taxation

	2023 £
At beginning of year	(609,700)
Charged to profit or loss	(130,001)
Charged to other comprehensive income	75,358
<b>At end of year</b>	<u><u>(664,343)</u></u>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Fixed asset timing differences	347,880	467,010
Short term timing differences	12,069	22,941
Capital gains	(997,542)	(1,099,651)
Retirement benefit obligations	(26,750)	-
	<u>(664,343)</u>	<u>(609,700)</u>



---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

21. Share capital

	2023	2022
	£	£
<b>Allotted, called up and fully paid</b>		
2,002 (2022 - 2,002) Ordinary shares of £1.00 each	<u>2,002</u>	<u>2,002</u>

The ordinary shares are classified as equity shares and entitle the shareholder to full voting rights. One share classifies as one vote and on a poll each member has one vote per share held. Ordinary shares rank equally for any dividends declared or distributions made on winding up. The shares are not redeemable.

22. Reserves

**Revaluation reserve**

The revaluation reserve is the positive difference between an asset's fair market value and its original cost, less deferred tax.

**Profit and loss account**

This account records retained earnings and losses.

23. Contingent liabilities

A contingent liability exists at the balance sheet date in respect to a fixed charge over the Company's freehold land and buildings detailed in Note 13 and an unlimited cross guarantee given to the other companies with majority common shareholders which comprise the Lenham "Group" in order to secure their banking facilities.

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 24. Pension commitments

The Company operates a defined benefit pension scheme entitled Lenham Storage Group Retirement Benefits Scheme.

There are no other post-retirement benefits provided.

Reconciliation of present value of plan liabilities:

	2023 £	2022 £
<b>Reconciliation of present value of plan liabilities</b>		
At 1 September 2022	876,000	1,138,000
Interest cost	34,000	18,000
Actuarial (gains)/losses	(59,000)	(219,000)
Benefits paid	(135,000)	(61,000)
<b>At the end of the year</b>	<b>716,000</b>	<b>876,000</b>

Reconciliation of present value of plan assets:

	2023 £	2022 £
At 1 September 2022	956,000	1,154,000
Interest income	38,000	19,000
Return on plan assets (excluding amounts included in net interest)	48,000	(156,000)
Benefits paid	(135,000)	(61,000)
<b>At the end of the year</b>	<b>907,000</b>	<b>956,000</b>

Composition of plan assets:

	2023 £	2022 £
Equities	9,070	19,120
Property	9,070	9,560
Bonds	154,190	305,920
Cash	36,280	57,360
Insured pensioners	698,390	564,040
<b>Total plan assets</b>	<b>907,000</b>	<b>956,000</b>

The actual gain on plan assets was £86,000 (2022: actual loss £137,000).

# LENHAM STORAGE COMPANY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

### 24. Pension commitments (continued)

	2023 £	2022 £
Fair value of plan assets	907,000	956,000
Present value of plan liabilities	(716,000)	(876,000)
<b>Net pension scheme liability</b>	<b>191,000</b>	<b>80,000</b>

The amounts recognised in profit or loss are as follows:

	2023 £	2022 £
Interest on obligation	4,000	1,000
<b>Total</b>	<b>4,000</b>	<b>1,000</b>

The Company expects to contribute £NIL to its defined benefit pension scheme entitled Lenham Storage Group Retirement Benefits Scheme in 2024.

	2023 £	2022 £
<b>Analysis of actuarial loss recognised in Other Comprehensive Income</b>		
Return on assets, less interest included in profit & loss	48,000	(156,000)
Experience gains and losses arising on plan liabilities	(21,000)	(27,000)
Changes in assumptions underlying the present value of plan liabilities	80,000	246,000
	<b>107,000</b>	<b>63,000</b>

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

	2023 %	2022 %
Discount rate	5.25	4.25
Future salary increases	3.00	3.25
Future pension increases	3.50	3.85
Inflation assumption	3.50	3.85
Mortality rates	Years	Years
- for a male aged 65 now	22.4	22.9
- at 65 for a male aged 45 now	23.9	24.5
- for a female aged 65 now	24.8	25.2
- at 65 for a female member aged 45 now	26.5	26.9

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 24. Pension commitments (continued)

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2023	2022	2021	2020	2019
	£	£	£	£	£
Defined benefit obligation	(716,000)	(876,000)	(1,138,000)	(1,282,000)	(1,286,000)
Scheme assets	907,000	956,000	1,154,000	1,299,000	1,320,000
<b>Surplus</b>	<b>191,000</b>	<b>80,000</b>	<b>16,000</b>	<b>17,000</b>	<b>34,000</b>

### 25. Commitments under operating leases

At 31 August 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023	2022
	£	£
Not later than 1 year	4,823,357	3,213,294
Later than 1 year and not later than 5 years	8,621,942	6,790,552
Later than 5 years	346,485	497,727
	<b>13,791,784</b>	<b>10,501,573</b>

---

# LENHAM STORAGE COMPANY LIMITED

---

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

---

### 26. Related party transactions

During the year there were transactions with companies in which shareholders R. F. Tolhurst and D. J. Abrehart, have controlling interests. The companies involved are Lenham Storage (Southern) Limited, Lenham Garages Limited, Freightflow International Limited, Lee Davey Caravans Limited, Lenham Storage (Midlands) Limited and Fitzmaurice Carriers Limited.

Total sales in the year to Lenham Garages Limited amounted to £23,049 (2022: £31,513), sales to Lenham Storage (Southern) Company Limited amounted to £3,373,559 (2022: £3,256,409) and sales to Lee Davey Caravans Limited amounted to £33,133 (2022: £29,525). Total purchases in the year from Lenham Garages Limited and Lenham Storage (Southern) Limited amounted to £1,417,708 (2022: £1,275,415) and £3,546,468 (2022: £3,282,248) respectively. Additionally, there are purchases from Lee Davey Caravans Limited for £Nil (2022: £95)

Included within amounts owed by related parties are the following balances due from these related companies:

Lenham Garages Limited £199,858 (2022: £353,615).

Lenham Storage (Southern) Limited £201,555 (2022: £633,014).

Lee Davey Caravans Limited £5,825 (2022: £6,081).

Lenham Storage (Midlands) Limited £45,180 (2022: £100,180).

Fitzmaurice Carriers Limited £37,687 (2022: £8,986).

Included within amounts owed to related parties are the following balances due to these related companies:

Lenham Storage (Southern) Limited £1,801,005 (2022: £2,152,397).

Lenham Garages Limited £113,342 (2022: £261,044).

Lee Davey Caravans Limited £140,112 (2022: £225,000).

Fitzmaurice Carriers Limited £251,872 (2022: £271,542).

All of the above transactions were undertaken on an arm's length basis.

At the year end, directors were owed £147,864 (2022: £159,308) by the Company to be repaid within one year. No interest was charged on this loan (2022: Nil).

There are no other key management personnel other than the directors.

### 27. Controlling party

The directors are of the opinion that there is no one controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.