Carrs Agriculture Limited

Annual report and unaudited financial statements

for the year ended 2 September 2023

(Registration number: 00480342)

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for the year ended 2 September 2023

Contents

Carrs Agriculture Limited

Strategic report for the year ended 2 September 2023

Principal activity
The principal activity of the company is the supply of agricultural products.

Review of business
The results of the company show a profit before taxation of £829,273 (2022: £4,995,010) for the year and turnover of £29,785,031 (2022: £31,088,760).

Costs of the principal ingredient of feed blocks, sugar cane molasses, have increased by 70% over the past three years, which, with increases in other ingredients along with energy and labour, has necessitated a 45% increase in selling prices over the past two years. When combined with 45% increases in other feed costs, a 180% uplift in fertiliser prices and 60% on diesel, livestock customers limited their expenditure, impacting sales volumes during a mild autumn in 2022 and winter 2022-23 that supported continued grazing for longer than usual. Feed block volumes were down by 18% on FY22, a situation consistent at all distributors.

Key Performance indicators ("KPIs")
The company's directors believe that the most significant KPI is profit before taxation as shown in the profit and loss account and other comprehensive income on page 4.

Future developments
Although current market conditions remain challenging, management maintains a positive longer-term outlook for the company. The company continues to seek opportunities for growth across its products and markets.

Going concern
The directors have a reasonable expectation that the company has sufficient financial resources to meet its obligations as they fall due for at least the next twelve months. The directors have therefore concluded that it is appropriate to prepare these financial statements on the going concern basis. Further details can be found in the going concern section of the statement of accounting policies on page 8.

Climate change
The company is committed to reducing carbon emissions wherever possible. The detailed disclosure requirements of the Streamlined Energy and Carbon Reporting Requirements are covered in the ultimate parent company's annual report.

Principal risks and uncertainties
The company's principal risks and uncertainties are discussed in the Directors' report on page 2.

By order of the Board on 7 February 2024 and signed on its behalf by:

P Robertson
Company Secretary

Directors' report for the year ended 2 September 2023

The directors present their report and the unaudited financial statements of the company for the year ended 2 September 2023. The comparative year is the year ended 3 September 2022.

Principal risks and uncertainties
The principal business risks affecting the company are managed at a group level. For this reason, the directors believe that a discussion of the company's risks would not be appropriate for an understanding of the development, performance or position of the company's business. The principal business risks are discussed on pages 20 to 23 of the ultimate parent company's annual report.

The company's activities expose it to a variety of financial risks. The Board reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained unchanged throughout the year.

Credit risk
The company has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers.

In relation to trade debtors, the major source of estimation uncertainty is the recoverable value of those debtors. The judgements applied to this include the credit quality of customers, taking into account their financial positions, past experiences and other relevant factors. Individual customer credit limits are imposed based on these factors, and provisions for impairment are made using those judgements. Provisions for impairment are reviewed monthly by management.

Price risk
The company is not exposed to equity securities price risk.

Market risk
Market risk is the risk that changes in foreign exchange rates (currency risk) and interest rates (interest rate risk) will affect income or the value of financial assets and liabilities. The company finances its operations through a mixture of retained earnings and borrowings. The company borrows at fixed and floating rates of interest.

Currency risk
The company publishes its financial statements in Sterling but conducts business in some foreign currencies.

Results and dividends
The results for the year are set out on page 4.

Dividends of £3,474,622 have been paid during the year (2022: £3,035,735). The proposed final dividend in respect of the year ended 2 September 2023 is £nil (2022: £nil). The financial statements do not reflect this proposed final dividend within creditors.

Directors' report for the year ended 2 September 2023 (continued)

Directors
The directors who held office during the year and up to the date of signing the financial statements are given below:

H W Morris
N Austin (resigned 27 January 2023)
D A White (appointed on 27 January 2023)

Third party indemnity
The company has maintained a directors' and officers' liability insurance policy throughout the year and up to the date of signing the financial statements, which is classed as a qualifying third party indemnity provision for the purposes of the Companies Act 2006. Neither the company's indemnity nor insurance provides cover in the event that a director is proved to have acted fraudulently or dishonestly. No claims have been made either under the indemnity or the insurance policy.

Statement of directors' responsibilities in respect of the Strategic report, the Directors' report and the financial statements
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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. 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 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; and
- 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 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.

By order of the Board on 7 February 2024 and signed on its behalf by:

P Robertson
Company Secretary
Registered Office address: Old Croft, Stanwix, Carlisle, Cumbria CA3 9BA

Carrs Agriculture Limited

Profit and loss account and other comprehensive income for the year ended 2 September 2023

	Note	2023 £	2022 £
Continuing operations			
Turnover	1	**29,785,031**	31,088,760
Cost of sales		**(25,410,657)**	(25,350,696)
Gross profit		**4,374,374**	5,738,064
Distribution costs		**(348,311)**	(503,271)
Administrative expenses		**(161,041)**	(304,921)
Other operating income	2	**191,513**	129,767
Adjusting items – administrative expenses	2	**(3,067,781)**	-
Operating profit	2	**988,754**	5,059,639
Interest receivable and similar income	4	**10,291**	14,914
Interest payable and similar expenses	4	**(169,772)**	(79,543)
Profit before taxation		**829,273**	4,995,010
Tax on profit	5	**(493,048)**	(617,532)
Profit for the financial year		**336,225**	4,377,478

There is no other comprehensive income for the current or prior year.

Carrs Agriculture Limited

Balance sheet as at 2 September 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	7	**2,039,119**	2,039,119
Tangible assets	8	**2,901,249**	2,372,553
Right-of use assets	9	**626,230**	655,671
Investments	10	**7,088,671**	10,156,452
		12,655,269	15,223,795
Current assets			
Stocks	11	**6,888,931**	8,222,171
Debtors	12	**5,741,866**	5,490,609
Cash at bank and in hand		**216,849**	428,696
		12,847,646	14,141,476
Creditors: amounts falling due within one year	13	**(7,457,686)**	(8,194,630)
Net current assets		**5,389,960**	5,946,846
Total assets less current liabilities		**18,045,229**	21,170,641
Creditors: amounts falling due after more than one year	14	**(454,527)**	(468,535)
Provisions for liabilities	17	**(174,259)**	(156,536)
Net assets		**17,416,443**	20,545,570
Capital and reserves			
Called up share capital	18	**11,872,206**	11,872,206
Capital redemption reserve		**6,181**	6,181
Equity compensation reserve		**36,457**	36,551
Profit and loss account		**5,501,599**	8,630,632
Total equity		**17,416,443**	20,545,570

For the financial year ended 2 September 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 4 to 31 were approved by the Board of directors on 7 February 2024 and were signed on its behalf by:

D A White
Director

Registered Number 00480342

Carrs Agriculture Limited

Statement of changes in equity for the year ended 2 September 2023

	Called up share capital	Capital redemption reserve	Equity compensation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 29 August 2021	11,872,206	6,181	22,234	7,277,619	19,178,240
Profit for the financial year	-	-	-	4,377,478	4,377,478
Equity settled share based payment transactions	-	-	26,515	-	26,515
Excess deferred taxation on share based payments	-	-	-	(928)	(928)
Dividends paid (Note 6)	-	-	-	(3,035,735)	(3,035,735)
Transfer between reserves	-	-	(12,198)	12,198	-
At 3 September 2022	11,872,206	6,181	36,551	8,630,632	20,545,570
At 4 September 2022	**11,872,206**	**6,181**	**36,551**	**8,630,632**	**20,545,570**
Profit for the financial year	-	-	-	**336,225**	**336,225**
Equity settled share based payment transactions	-	-	**9,270**	-	**9,270**
Dividends paid (Note 6)	-	-	-	**(3,474,622)**	**(3,474,622)**
Transfer between reserves	-	-	**(9,364)**	**9,364**	-
At 2 September 2023	**11,872,206**	**6,181**	**36,457**	**5,501,599**	**17,416,443**

Carrs Agriculture Limited

Statement of accounting policies

The principal accounting policies adopted in the preparation of these unaudited financial statements are set out below.

These policies have been consistently applied to both the current and prior year, unless otherwise stated.

Basis of preparation
The company is a private limited liability company incorporated and domiciled in England and Wales. The company is limited by shares. The address of its registered office is Old Croft, Stanwix, Carlisle, Cumbria CA3 9BA.

The financial statements have been prepared on a going concern basis and under the historical cost convention. These financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The company is a qualifying entity for the purpose of FRS 101. Note 22 gives details of the company's ultimate parent and from where its consolidated financial statements prepared in accordance with IFRS may be obtained.

The company has adopted the intermediate parent exemption under section 400 of the Companies Act 2006 whereby it is not required to prepare consolidated financial statements as the ultimate parent company prepares publicly available consolidated financial statements in accordance with IFRS.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliations for share capital, intangible assets and tangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs; and
- Disclosures in respect of the compensation of key management personnel.

As the consolidated financial statements of Carr's Group plc, the ultimate parent company of Carrs Agriculture Limited, include the equivalent disclosures, the company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 Share Based Payments in respect of group settled share based payments;
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 Business Combinations in respect of business combinations undertaken by the company; and
- Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instruments Disclosures.

Statement of accounting policies (continued)

Basis of preparation (continued)
The preparation of financial statements in conformity with FRS 101 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities as the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. Significant judgements and estimates are outlined at the end of the statement of accounting policies.

Going concern
The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Company is a cross guarantor for the Carr's Group plc ("The Group") banking facility and as such the going concern status of the Company is reliant on the going concern status of the Group.

The Group has prepared cash flow forecasts for a 31 month period to 31 August 2026, taking account of reasonably possible changes in trading performance. The Group is expected to have a sufficient level of financial resources available through operating cash flows and existing bank facilities for the period to 7 February 2025 ("the going concern period"). These forecasts indicate that the Group will be able to operate within its banking facilities, which have been extended to 20 December 2026, and accordingly the directors of the company have prepared the financial statements on the going concern basis.

The Group has sensitised the forecasts on a combined basis for severe but plausible downside scenarios. The severe but plausible downside scenarios tested included significant reductions in profitability and cashflows linked to customer demand, cost management and additional working capital requirements. The results of this stress testing showed that the Group and Company would be able to withstand the impact of these severe but plausible downside scenarios occurring over the period of the financial forecasts and that sufficient headroom on the Group's banking covenants is available. In addition to testing these severe but plausible downside scenarios, reverse stress testing was also applied to the sensitised forecasts, to understand what level of downside scenario the Group would not be able to withstand. The scenarios which created going concern uncertainty were deemed extreme and implausible.

The Directors have received confirmation of continuing financial support from the Group's parent Company should it be required. Carr's Group plc has indicated its intention to continue to make available such funds as are needed by the Company, for at least a period of 12 months from the date of approval of these financial statements.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due until 7 February 2025 and therefore have prepared the financial statements on a going concern basis.

Turnover recognition
Turnover is recognised when the company transfers control over a product or service to its customer. Turnover is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The company recognises turnover at a point in time.

Statement of accounting policies (continued)

Foreign currencies
The functional currency and presentation currency of the company is Sterling. Transactions in currencies other than Sterling are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Translation differences resulting from the settlement of such transactions and from the translation at exchange rates ruling at the balance sheet date of monetary assets and liabilities denominated in currencies other than the functional currency are recognised in the profit and loss account.

Retirement benefit obligations
Employees are members of Carr's Group Pension Scheme, the Carr's Group Retirement Savings Scheme and NEST.

Contributions to the defined benefit pension scheme are across the participating companies. Costs are not defined for each individual company as the company is unable to identify its share of the underlying assets and liabilities in the scheme. Contributions payable by the company are charged to the profit and loss account in the year they fall due.

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Adjusting items
Adjusting items that are material by size and/or by nature are highlighted separately on the face of the profit and loss account. Further details of items classified as adjusting items are disclosed within note 2. The separate disclosure of adjusting items is consistent with how business performance is measured internally and is presented to aid comparability of performance.

Interest
Interest is recognised in the profit and loss account on an accruals basis using the effective interest method.

Dividends
Dividends payable are recognised in the financial statements in the year in which the dividends are paid or approved by the company's directors, whichever is earlier.

Goodwill
Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Company's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Statement of accounting policies (continued)

Software costs
Software costs incurred as part of a service agreement are only capitalised when it can be evidence that the company has control over the resources defined in the agreement. Software configuration and customisation costs relating to software not controlled by the company are expensed as incurred.

Tangible assets
Tangible assets are carried at cost less accumulated depreciation and accumulated impairment losses. Cost comprises purchase price and directly attributable costs.

Assets not fully constructed at the balance sheet date are classified as assets in the course of construction. When construction is complete these assets are reclassified to the appropriate heading within tangible assets. Depreciation commences when the asset is ready for use.

Land is not depreciated. For all other tangible assets, depreciation is calculated on a straight-line basis to allocate cost less residual values of the assets over their estimated useful lives as follows:

Leasehold improvements	shorter of 50 years or lease term
Plant and machinery	5 to 20 years
Motor vehicles	4 to 5 years

Residual values and useful lives are reviewed at least at each financial year end.

The cost of maintenance, repairs and minor equipment is charged to the profit and loss account as incurred; the cost of major renovations and improvements is capitalised.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the profit and loss account.

Impairment of fixed assets
Fixed assets are reviewed for impairment where there are any events or changes in circumstances that would indicate potential impairment. In addition, at each reporting date, the company assesses whether there is any indication that goodwill may be impaired. Where an indicator of impairment exists, the company makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is deemed for an individual asset. If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash generating unit to which the asset belongs is determined. Discount rates reflecting the asset specific risks and the time value of money are used for the value in use calculation.

Stocks
Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Where appropriate, cost is calculated on a specific identification basis. Otherwise stocks are valued using the first-in first-out method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Statement of accounting policies (continued)

Stocks (continued)
At each reporting date an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Leasing
The company leases properties, motor vehicles and minor equipment. Lease terms are negotiated on an individual basis and contain a wide range of terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the company. Each lease payment is allocated between the repayment of the lease liability and finance cost. The finance cost is charged to the profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis and is also subject to regular impairment reviews.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. Where this cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

After initial measurement the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term or a change in the fixed lease payments. Right-of-use assets are adjusted for any remeasurement of lease liabilities.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at of before the commencement date less any lease incentives received;
- Any initial direct costs incurred by the lessee; and
- Restoration costs required by the terms and conditions of the lease.

At the commencement date of property leases the company normally determines the lease term to be the full term of the lease, assuming that any option to break or extend the lease is unlikely to be exercised and it is not reasonably certain that the company will continue in occupation for any period beyond the lease term. Leases are regularly reviewed and will be revalued if it becomes likely that a break clause or option to extend the lease is exercised.

Statement of accounting policies (continued)

Leasing (continued)
Payments associated with short-term leases and lease of low value assets are recognised on a straight-line basis as an expense in the profit and loss account. Short term leases are lease with a lease term of 12 months or less. Low value assets generally comprise minor office and IT equipment.

Taxation
Current tax is provided at amounts expected to be paid (or recovered) using the tax rates that have been substantively enacted by the balance sheet date.

Deferred tax is provided on temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax arising from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss, is not recognised. Deferred tax is measured using tax rates that have been substantively enacted by the balance sheet date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Tax is recognised in the profit and loss account.

Share based payments
The ultimate parent company issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the company's estimate of shares that will eventually vest.

Fair value is measured by use of a valuation model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

At each balance sheet date the ultimate parent company revises its estimate of the number of options that are expected to vest. Changes to the fair value recognised as a result of this are charged or credited to the profit and loss account with a corresponding adjustment to the equity compensation reserve.

Financial instruments
Financial assets and liabilities are recognised on the company's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade debtors
Trade debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtors. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade debtor is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of a provision for impairment and the amount of the loss is recognised in the profit and loss account. The provision is utilised when a trade debtor is irrecoverable.

Statement of accounting policies (continued)

Trade debtors (continued)
As trade debtors do not carry a significant financing element, expected credit losses are measured using the simplified impairment approach. This requires lifetime losses to be recognised upon the initial recognition of the asset.

Financial liabilities and equity
Classification of financial instruments issued by the company

Following the adoption of IAS 32, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand. Bank overdrafts. which are repayable on demand, are presented within creditors amounts falling due within one year in the balance sheet. Bank overdrafts are considered to be cash and cash equivalents as they are part of a Group banking facility where bank balances in credit and overdrawn balances have a legal right of offset. They are therefore used to manage the company's cash position on a net basis.

Borrowings
Interest-bearing loans and overdrafts are recognised initially at fair value net of direct issue costs and are subsequently stated at amortised cost. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the year in which they arise.

Trade creditors
Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds.

Statement of accounting policies (continued)

New standards and interpretations
From 4 September 2022 the following became effective and were adopted by the company:

- Annual improvements to IFRS Standards 2018-2020 (effective 1 January 2022)
- Amendments to IAS 16 – Property, Plant and Equipment: Proceeds before intended use (effective 1 January 2022)
- Amendments to IAS 37 – Onerous Contracts – Cost of Fulfilling a Contract (effective 1 January 2022)
- Amendments to IFRS 3 – Reference to the Conceptual Framework (effective 1 January 2022)

The adoption of the above amendments did not have a material effect on the company's results for the year or equity.

Significant judgements, key assumptions and estimates
Application of certain company accounting policies requires management to make judgements, assumptions and estimates concerning the future as detailed below.

The following are considered to be accounting estimates.

Impairment of goodwill and non-financial assets
Non-financial assets are reviewed for impairment where there are any events or changes in circumstances that would indicate potential impairment. In addition, the carrying value of goodwill must be assessed for impairment annually, or more frequently if there are indications that goodwill might be impaired. This requires an estimation of the value in use of the cash generating units to which goodwill is allocated. Value in use is dependent on estimations of future cash flows from the cash generating unit and the use of an appropriate discount rate to discount those cash flows to their present value.

An impairment of £3,067,781 (2022: £nil) against the carrying value of investments in subsidiary undertakings has been identified in the current year. See note 10 for further details.

There is no impairment recognised in respect of goodwill in either the current or prior period. The carrying value of goodwill at the year end is £2,039,119 (2022: £2,039,119). Further details of cash generating units can be found in note 7.

Notes to the financial statements for the year ended 2 September 2023

1 Turnover

At 2 September 2023, all of the activities of the company fall into one class of business, namely the supply of agricultural products. All activities originated in the United Kingdom. Under IFRS 15 the company's turnover is recognised at a point in time.

2 Operating profit

	2023	2022
	£	£
The following items have been included in arriving at operating profit:		
Staff costs (Note 3)	**3,556,667**	3,492,158
Depreciation of tangible assets (Note 8)	**298,021**	281,334
(Profit)/loss on disposal of tangible assets	**(1,600)**	1,407
Depreciation of right-of-use assets (Note 9)	**195,664**	218,590
Profit on disposal of right-of-use assets	-	(2,167)
Foreign exchange losses/(gains)	**15,445**	(4,840)
Dividends received	**(191,513)**	(129,767)
Adjusting items:		
Impairment of investment in subsidiary (Note 10)	**3,067,781**	-

During the year an impairment has been recognised against the carrying value of the company's investment in its subsidiary Animax Limited.

Notes to the financial statements for the year ended 2 September 2023 (continued)

3 Employees and directors

Staff costs for the company during the year	2023	2022
	£	£
Wages and salaries	2,933,231	2,917,434
Social security costs	342,924	309,087
Share based payments expense	9,270	26,515
Pension costs (Note 15)	271,242	239,122
	3,556,667	3,492,158

The average monthly number of people employed by the company was:

By activity	2023	2022
	Number	Number
Sales, office and management	31	23
Manufacturing and distribution	47	61
	78	84

Directors' emoluments	2023	2022
	£	£
Salaries and short term benefits	129,903	199,092
Fair value (credit)/charge on share based payments	(10,714)	9,962
Pension costs	16,893	22,367
	136,082	231,421

The above amounts are in respect of one director (2022: one). All of the other directors are remunerated by the parent company and details of such remuneration can be found in the publicly available Annual Report and Accounts of the parent company. Accordingly, the above details include no emoluments in respect of these directors.

Retirement benefits are accruing to one (2022: one) directors under a defined contribution pension scheme.

Notes to the financial statements for the year ended 2 September 2023 (continued)

3 Employees and directors (continued)

Highest paid director	2023	2022
	£	£
Remuneration	**119,189**	209,054
Pension contributions	**16,893**	22,367
	136,082	231,421

During the year no (2022: no) share options were exercised by the highest paid director.

4 Interest receivable and interest payable

	2023	2022
	£	£
Interest receivable and similar income		
Bank interest	**6,218**	14,914
Other interest receivable	**4,073**	-
Total interest receivable	**10,291**	14,914
Interest payable and similar expenses		
Bank interest	**(149,545)**	(60,126)
Interest payable on leases	**(20,227)**	(19,417)
Total interest payable	**(169,772)**	(79,543)

Notes to the financial statements for the year ended 2 September 2023 (continued)

5 Tax on profit

Analysis of charge in year	**2023**	2022
	£	£
Current tax:		
Current tax expense	**459,636**	528,332
Adjustments in respect of prior years	**15,689**	11,346
	475,325	539,678
Deferred tax (Note 17):		
Origination and reversal of timing differences	**39,399**	114,362
Adjustments in respect of prior years	**(21,676)**	(36,508)
	17,723	77,854
Taxation	**493,048**	617,532

The tax for the year is higher (2022: lower) than the standard rate of corporation tax in the UK of 21.5% (2022: 19%). The differences are explained below:

	2023	2022
	£	£
Profit before taxation	**829,273**	4,995,010
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 21.5% (2022: 19%)	**178,294**	949,052
Effects of:		
Adjustments in respect of prior years	**(5,987)**	(25,162)
Income not taxable for tax purposes	**(370,790)**	(356,627)
Expenses not deductible for tax purposes	**686,015**	22,822
Effect of deferred tax rate	**5,516**	27,447
Total tax charge for the year	**493,048**	617,532

Income not taxable for tax purposes includes dividend income from UK subsidiaries and the effect of income within the patent box regime.

In the current year expenses not deductible for tax purposes includes the impairment of the investment in subsidiary.

Notes to the financial statements for the year ended 2 September 2023 (continued)

6 Dividends

	2023	2022
	£	£
Dividend of £0.29 (2022: £0.26) per ordinary share	**3,474,622**	3,035,735

The Directors are proposing a final dividend of £nil (2022: £nil) being £nil per share (2022: £nil per share). The financial statements do not reflect this proposed final dividend within creditors.

7 Intangible assets

	Goodwill
	£
Cost and net book amount	
At 3 September 2022	2,039,119
At 2 September 2023	**2,039,119**

The carrying value of goodwill has been allocated to the following cash generating units:

	2023	2022
	£	£
Scotmin profit centre	**2,039,119**	2,039,119

The recoverable amount of the cash generating unit is in excess of the carrying value and is determined through reference to its value in use.

Departure from the historical cost accounting rules:

Goodwill is tested annually for impairment, or more frequently if these are indicators that goodwill might be impaired. Goodwill is tested for impairment by estimating future cash flows from the cash generating units to which goodwill has been allocated and discounting these cash flows to their present value. This accounting policy represents a departure from the historical cost accounting rules and, in particular, paragraph 22 of Schedule 1 of the Companies Act 2006, which requires goodwill to be reduced by provisions for depreciation calculated to write off the amount systematically over a year chosen by the directors, not exceeding its useful economic life.

However, the directors consider that these requirements would fail to provide a true and fair view of the profit for the year and the balances carried forward in the financial statements in relation to acquisitions.

Notes to the financial statements for the year ended 2 September 2023 (continued)

8 Tangible assets

	Leasehold improvements	Plant and machinery	Motor vehicles	Assets in the course of construction	Total
	£	£	£	£	£
Cost					
At 4 September 2022	1,682,830	5,335,516	345,761	56,335	7,420,442
Additions at cost	654,461	172,256	-	-	826,717
Reclassifications	34,842	21,493	-	(56,335)	-
Disposals	-	-	(2,358)	-	(2,358)
At 2 September 2023	**2,372,133**	**5,529,265**	**343,403**	**-**	**8,244,801**
Accumulated depreciation and impairment					
At 4 September 2022	371,246	4,491,073	185,570	-	5,047,889
Depreciation charge for the year	56,206	205,269	36,546	-	298,021
Disposals	-	-	(2,358)	-	(2,358)
At 2 September 2023	**427,452**	**4,696,342**	**219,758**	**-**	**5,343,552**
Net book amount					
At 2 September 2023	**1,944,681**	**832,923**	**123,645**	**-**	**2,901,249**
At 3 September 2022	1,311,584	844,443	160,191	56,335	2,372,553

Depreciation is recognised within cost of sales.

Notes to the financial statements for the year ended 2 September 2023 (continued)

9 Right-of-use assets and lease liabilities

Amounts recognised in the balance sheet

	Land and buildings	Plant, equipment and vehicles	Total
	£	£	£
Cost			
At 4 September 2022	496,368	724,620	1,220,988
Additions	55,402	110,180	165,582
Modifications	-	641	641
Disposals	(143,027)	(108,194)	(251,221)
At 2 September 2023	**408,743**	**727,247**	**1,135,990**
Accumulated depreciation and impairment			
At 4 September 2022	225,137	340,180	565,317
Depreciation charge for the year	53,163	142,501	195,664
Disposals	(143,027)	(108,194)	(251,221)
At 2 September 2023	**135,273**	**374,487**	**509,760**
Net book amount			
At 2 September 2023	**273,470**	**352,760**	**626,230**
At 3 September 2022	271,231	384,440	655,671

	2023	2022
Lease liabilities	£	£
Creditors: amounts falling due within one year (Note 13)	**191,489**	170,249
Creditors: amounts falling due after more than one year (Note 14)	**439,527**	468,535
	631,016	638,784

Notes to the financial statements for the year ended 2 September 2023 (continued)

9 Right-of-use assets and lease liabilities (continued)

The remaining contractual maturities of the lease liabilities, which are gross and undiscounted, are as follows:

	2023	2022
	£	£
Less than one year	**213,630**	177,848
One to two years	**174,075**	162,578
Two to three years	**92,099**	123,423
Three to four years	**41,609**	56,151
Four to five years	**35,000**	35,000
More than five years	**113,750**	127,075
	670,163	682,075

Amounts recognised in the profit and loss account

The profit and loss account shows the following amounts relating to leases:

	2023	2022
	£	£
Depreciation	**195,664**	218,590
Profit on disposal	-	(2,167)
Interest expense	**20,227**	19,417
	215,891	235,840

Amounts in respect of short-term leases and low value assets are immaterial and have therefore not been included in the table above. There is no expense recognised in the profit and loss account in respect of variable lease payments that are not included in the measurement of the lease liabilities.

The total cash outflow for leases in the year was £194,217 (2022: £124,378).

Notes to the financial statements for the year ended 2 September 2023 (continued)

10 Investments

	Investments in subsidiary undertakings £
Cost	
At 4 September 2022 and at 2 September 2023	**10,147,549**
Provision for impairment	
At 4 September 2022	-
Impairment	3,067,781
At 2 September 2023	**3,067,781**
Net book amount	
At 2 September 2023	**7,079,768**
At 3 September 2022	10,147,549

Investments in subsidiary undertakings are stated at cost. During the year an impairment was recognised against the carrying value of the investment in Animax Limited following a review of expected future discounted cash flows.

A list of subsidiary undertakings is given below:

	Country of incorporation	Country of operation	% holding	Class of share	Nature of business
Carr's Supplements (NZ) Limited	New Zealand	New Zealand	100	Ordinary	Distributor of animal feed blocks
Animax Limited	England	UK	100	Ordinary	Manufacture of animal health products
Animax NZ Limited	New Zealand	New Zealand	100	Ordinary	Dormant
Conegar S.A.	Uruguay	Uruguay	100	Ordinary	Dormant

All holdings are of ordinary share classes.

Carr's Supplements (NZ) Limited has a registered office address of 123 Burnett Street, Ashburton, 7700, New Zealand. Conegar S.A. has a registered office address of Juncal 1305, Piso 18, Montevideo, Uruguay. The registered office address of Animax Limited is Shepherds Grove West, Stanton, Bury St Edmunds, Suffolk, IP31 2AR. The registered office address of Animax NZ Limited is RSM New Zealand (Auckland), Level 2, 62 Highbrook Drive, East Tamaki, Auckland 2013, New Zealand.

Notes to the financial statements for the year ended 2 September 2023 (continued)

10 Investments (continued)

Interest in joint venture

	£
Cost and net book amount	
At 4 September 2022 and 2 September 2023	**4,050**

The company holds 50% of the issued share capital of Silloth Storage Company Limited. The investment in the joint venture is stated at cost. The principal activity of the joint venture is the storage of molasses. Of the remaining 50%, 48% is held by Peter Cremer GmbH and 2% is held by Prime Molasses Limited. The registered office address for the joint venture is 5c Business Park, 1 Concorde Drive, Clevedon, Bristol BS21 6UH.

Other investments

	£
Cost and net book amount	
At 4 September 2022 and 2 September 2023	**4,853**

Other investments principally comprise ordinary shares in several private companies in the agricultural sector.

11 Stocks

	2023	2022
	£	£
Raw materials and consumables	**2,442,011**	3,334,734
Finished goods	**4,446,920**	4,887,437
	6,888,931	8,222,171

Stocks are stated after a provision for impairment of £139,085 (2022: £287,245).

£148,160 (2022: £13,202) has been recognised as a credit within the profit and loss account in respect of stock write-downs. This is included within cost of sales. £nil (2022: £4,078) has been utilised during the year.

The cost of stocks recognised as an expense and included in cost of sales during the year is £24,820,684 (2022: £24,714,697).

Notes to the financial statements for the year ended 2 September 2023 (continued)

12 Debtors

	2023	2022
	£	£
Amounts receivable within one year:		
Trade debtors	**2,515,328**	2,950,640
Less: Provision for impairment of trade debtors	**(43,591)**	(89,599)
Trade debtors – net	**2,471,737**	2,861,041
Amounts owed by group undertakings	**2,402,433**	1,558,351
Amounts owed by joint ventures (Note 21)	**-**	84,428
Amounts owed by associated undertakings (Note 21)	**-**	48,451
Other taxes and social security	**489,243**	566,636
Other debtors	**45,000**	2,656
Current tax assets	**47,517**	-
Current tax assets – group tax relief	**-**	130,099
Prepayments and accrued income	**285,936**	238,947
	5,741,866	5,490,609

The movement in the provision for impaired trade debtors consists of increases for additional provisions offset by debtors written off and unused provision released back to the profit and loss account. The provision is utilised when there is no expectation of recovering additional cash.

A credit of £46,008 (2022: £15,758) is recognised within administrative expenses in the profit and loss account in respect of the provision for impairment of trade debtors. £nil (2022: £20,671) was utilised in the year. There is no impairment of other debtors to be recognised in the current or preceding year.

The amounts owed by group undertakings are unsecured, interest free and have no fixed repayment date.

Notes to the financial statements for the year ended 2 September 2023 (continued)

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank overdraft	**3,804,968**	2,454,767
Leases (Note 9)	**191,489**	170,249
Trade creditors	**1,787,085**	3,430,619
Amounts owed to group undertakings	**509,602**	397,667
Amounts owed to joint ventures (Note 21)	-	19,395
Amounts owed to associated undertakings (Note 21)	-	65,052
Current tax creditor	-	214,490
Current tax creditor – group tax relief	**459,636**	-
Other taxes and social security	**9,855**	-
Other creditors	-	347,996
Accruals and deferred income	**695,051**	1,094,395
	7,457,686	8,194,630

The bank overdraft is secured under a cross guarantee (note 20). Amounts owed to group undertakings includes trade balances in the normal course of business which are interest free and unsecured.

14 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Leases (Note 9)	**439,527**	468,535
Deferred income	**15,000**	-
	454,527	468,535

Notes to the financial statements for the year ended 2 September 2023 (continued)

15 Retirement benefits

(a) Carr's Group Pension Scheme

The company participates in a group pension scheme operated by Carr's Group plc, its ultimate parent company. The pension scheme offered a defined benefit and a defined contribution section. The defined benefit section shares risks between entities under common control. The assets of the scheme are held separately from those of the sponsoring company and are invested with independent investment managers.

From 1 September 2015 the defined contribution section was closed. Members of that section were enrolled in a new defined contribution scheme, the Carr's Group Retirement Savings Scheme (Carr's Group RSS), set up under a Master Trust arrangement.

The defined benefit section of the scheme was previously closed to new members, and has closed to future accrual with effect from 31 December 2015. Members of this section became entitled to become members of the Carr's Group RSS from 1 January 2016. The pension expense for the defined benefit section of the scheme for the year was £nil (2022: £nil).

The defined benefit section of the scheme is valued every three years by a professionally qualified independent actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Common contribution rates apply across the Carr's Group plc group as a whole. The last finalised full actuarial assessment of the scheme was at 31 December 2020.

There is neither a contractual agreement nor a stated policy for allocating the net defined benefit cost to the individual group entities. Costs are not defined for each individual company as the company is unable to identify its underlying share of the pension scheme assets and liabilities in the scheme. Accordingly, the net defined benefit cost for the scheme as a whole is recognised in the financial statements of Carr's Group plc, the sponsoring employer of the scheme. Contributions payable by the company are charged to the profit and loss account in the year they fall due.

Recognition of the defined benefit asset and related disclosures required by IAS 19 Revised: 'Employee benefits' in respect of the group scheme are provided in the Carr's Group plc financial statements.

(b) Carr's Group Retirement Savings Scheme (Carr's Group RSS)

Carr's Group plc offers membership to the company's employees in a Master Trust arrangement, Carr's Group RSS, following the closure of both sections of the Carr's Group Pension Scheme. The pension expense for this scheme in the year was £240,675 (2022: £215,085).

(c) Other pension plans

The company contributes into NEST on behalf of certain employees. Contributions of £15,723 (2022: £12,081) have been made in the year.

(d) Pension scheme related costs

During the year the company incurred costs associated with pension schemes of £14,844 (2022: £11,956).

16 Share-based payments

Long Term Incentive Plan
Under the long term incentive plan shares will be awarded to eligible individuals subject to a Carr's Group plc group earnings per share (EPS) target measured against average annual increases over a three year period. For the awards granted in December 2021 an average annual growth of EPS must exceed 3.0% for 25% of the awards to vest and 100% vest at 10.0%, with a straight line calculation between 25% and 100% of the award.

SAYE Share Plan
All employees, subject to eligibility criteria, may participate in the share save scheme. Under this scheme employees are offered savings contracts for 3 year vesting period plans. The exercise period is 6 months from the vesting date. The expected volatility has been calculated using historical daily data over a term commensurate with the expected life of each option. The expected life is the midpoint of the exercise period. The risk-free rate of return is the implied yield of zero-coupon UK Government bonds with a remaining term equal to the expected term of the award being valued.

During the year 22,919 options were granted in the Share Save Scheme 2023 (3 year plan) with a weighted average exercise price of £1.17. In addition, 17,659 (2022: 4,414) options were forfeited in the Share Save Scheme 2020 (3 year plan) with a weighted average exercise price of £1.223 (2022: £1.223), 3,529 (2022: 1,764) options were forfeited in the Share Save Scheme 2021 (3 year plan) with a weighted average exercise price of £1.02 (2022: £1.02), and 6,260 (2022: no) options were forfeited in the Share Save Scheme 2022 (3 year plan) with a weighted average exercise price of £1.15 (2022: £1.15).

The fair value per option granted and the assumptions used in the calculation of fair values are as follows:

	Long Term Incentive Plan December 2021	Share Save Scheme (3-Year Plan 2023)	Share Save Scheme (3-Year Plan 2022)	Share Save Scheme (3-Year Plan 2021)
Grant date	10/12/21	03/07/23	06/06/22	21/12/20
Share price at grant date (weighted average)	£1.51	£1 47	£1.355	£1.275
Exercise price (weighted average)	£0 00	£1.17	£1 15	£1.02
Number of employees at grant	1	7	19	16
Shares under option at grant	43.908	22,919	75,435	99,698
Vesting year (years)	3	3	3	3
Model used for valuation	Market value*	Black-Scholes	Black-Scholes	Black Scholes
Expected volatility	-	39.7%	40 0%	41.3%
Option life (years)	10	3.55	3.55	3 65
Expected life (years)	6.5	3.3	3.3	3.4
Weighted average remaining contractual life (years)	8	3.38	2.3	1.07
Risk-free rate	-	5 1%	1.78%	(0 07)%
Expected dividends expressed as a dividend yield	1 08%	3.50%	3.80%	3.73%
Expectations of vesting	0%	95%	95%	95%
Fair value per option at grant	£1.368	£0.51	£0.38	£0.37

* discounted for dividends forgone over the three year vesting period.

Notes to the financial statements for the year ended 2 September 2023 (continued)

17 Provisions for liabilities

The movement on the deferred tax account is shown below:

	2023	2022
	£	£
Brought forward net liability	**(156,536)**	(77,754)
Profit and loss account charge (Note 5)	**(17,723)**	(77,854)
Recognised in equity	**-**	(928)
Carried forward net liability	**(174,259)**	(156,536)

Deferred tax assets have been recognised in respect of other temporary differences giving rise to deferred tax assets because it is probable that these assets will be recovered.

The movements in deferred tax balances during the year are shown below:

Short term timing differences	**2023**	2022
	£	£
Brought forward asset	**20,506**	23,206
Profit and loss account charge	**(7,697)**	(1,772)
Recognised in equity	**-**	(928)
Carried forward asset	**12,809**	20,506

Accelerated capital allowances	**2023**	2022
	£	£
Brought forward liability	**(177,042)**	(100,960)
Profit and loss account charge	**(10,026)**	(76,082)
Carried forward liability	**(187,068)**	(177,042)

Notes to the financial statements
for the year ended 2 September 2023 (continued)

18 Called up share capital

	2023	2022
	£	£
Allotted, issued and fully paid		
11,872,206 (2022: 11,872,206) ordinary shares of £1 each	**11,872,206**	11,872,206
	11,872,206	11,872,206

19 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2023	2022
	£	£
Capital expenditure on tangible fixed assets	-	520,927

20 Contingent liabilities

The company has given an unlimited cross guarantee with regard to all amounts owing to Clydesdale Bank PLC (trading as Virgin Money) by its parent company and fellow subsidiary companies. At 2 September 2023 the aggregate amount outstanding under these group banking arrangements was £nil (2022: £17,730,976).

21 Related party transactions

The company had the following related party transactions:

In respect of the year ended 2 September 2023

Transactions with fellow group companies which are not wholly owned:

	Sales to £	Purchases from £	Management charges from £	Amounts owed by £	Amounts owed to £
Carrs Billington Agriculture (Sales) Limited	**1,156,312**	-	-	-	-

Carrs Agriculture Limited

Notes to the financial statements for the year ended 2 September 2023 (continued)

21 Related party transactions (continued)

In respect of the year ended 2 September 2023 (continued)

Transactions with other related party companies:

	Sales to £	Purchases from £	Management charges from £	Amounts owed by £	Amounts owed to £
Carrs Billington Agriculture (Operations) Limited	**36,525**	-	-	-	-
Crystalyx Products GmbH	**197,034**	**(67,310)**	-	-	-
	233,559	**(67,310)**	-	-	-

In respect of the year ended 3 September 2022

Transactions with fellow group companies which are not wholly owned:

	Sales to £	Purchases from £	Management charges from £	Amounts owed by £	Amounts owed to £
Carrs Billington Agriculture (Sales) Limited	5,557,669	-	(168,711)	16,806	(218,654)

Transactions with other related party companies:

	Sales to £	Purchases from £	Management charges from £	Amounts owed by £	Amounts owed to £
Carrs Billington Agriculture (Operations) Limited	603,787	-	-	48,451	(65,052)
Bibby Agriculture Limited	16,366	-	-	-	-
Crystalyx Products GmbH	71,773	(541,893)	-	84,428	(19,395)
	691,926	(541,893)	-	132,879	(84,447)

Crystalyx Products GmbH is a joint venture of Carr's Group plc and Carrs Billington Agriculture (Operations) Limited was an associate of Carr's Group plc until it's disposal on 26 October 2022. Carr's Group plc is the company's immediate parent. Bibby Agriculture Limited is a joint venture of Carrs Billington Agriculture (Sales) Limited and both of these entities were disposed of on 26 October 2022.

22 Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and controlling party is Carr's Group plc, a company registered in England and Wales, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Carr's Group plc consolidated financial statements can be obtained from the Company Secretary at Carr's Group plc, Old Croft, Stanwix, Carlisle, CA3 9BA.