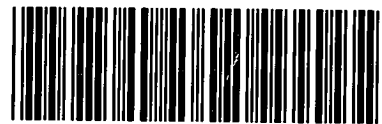


**Group Strategic Report,  
Report of the Directors and  
Consolidated Financial Statements  
for the Year Ended 30 September 2022  
for  
A.V. Dawson Limited Group**

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for the Year Ended 30 September 2022**

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**A.V. Dawson Limited Group**  
**Company Information**  
**for the Year Ended 30 September 2022**

**DIRECTORS:**

G S Dawson  
J E Young  
A K Watkins  
C Nettle  
C Lloyd  
L Croce  
G E Jones

**SECRETARY:**

C Lloyd

**REGISTERED OFFICE:**

The Staiths  
Port of Middlesbrough  
Depot Road  
MIDDLESBROUGH  
TS2 1LE

**REGISTERED NUMBER:**

00626633 (England and Wales)

**SENIOR STATUTORY AUDITOR:** Antony Luckett BCom BFP FCA DChA

**AUDITORS:**

Clive Owen LLP  
Chartered Accountants  
& Statutory Auditors  
140 Coniscliffe Road  
Darlington  
County Durham  
DL3 7RT

**Group Strategic Report  
for the Year Ended 30 September 2022**

The directors present their strategic report of the company and the group for the year ended 30 September 2022.

**REVIEW OF BUSINESS**

The company's principal activity during the year continues to be that of haulage, storage and handling of commodities and steel, and holding of commercial properties.

The key financial and other performance indicators during the year were as follows:

	2022 £'000s	2021 £'000s	Variance %
Turnover	28,580	28,221	1.27%
Profit before tax	6,080	5,711	6.46%

Greater demand for our port services combined with revenue increases for Haulage related services post Covid has resulted in substantial rises in both turnover and profitability, whilst the production strategy for our major customer continues to support our operational performance this year. The company has undertaken a major rebranding exercise this year with onsite operational activities undertaken under our Port of Middlesbrough brand. The emphasis on the importance of port operations to business performance combined with progress on the River Tees Freeport bid and our location are key drivers for our future business strategy and sustainability.

**Group Strategic Report  
for the Year Ended 30 September 2022**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Group constantly reviews any potential risks and uncertainties within the industry sectors in which the Group operates. The principal risks and uncertainties facing the Group are broadly grouped as: - health & safety, economy, investment, competitive and financial.

**Health & Safety**

Safety is the primary Group core value and as such is the first agenda item at all Board meetings. The Managing Director presents this item to other Board Members and all lost time injury, total all injury and injury frequencies rates are reviewed. These Key Performance Indicators (KPI's) are communicated to all employees across the business on a regular basis so that everyone is fully aware of our safety performance. Everyone is actively encouraged to report all unsafe and near miss incidents in order that they can be investigated, with learning outcomes highlighted and proactive actions implemented. A summary of Health & Safety KPI's for the year ended 30 September 2022 (including comparatives) is shown below:

**Health & Safety KPI's**

<u>KPI Name</u>	<u>Injury Frequency Rate (IFR)</u>	<u>Lost Time Injury (LTI)</u>	<u>Total All Injury (TAI)</u>
KPI Result	2.19 (2021: 1.98)4	4 (2021: 4)	13 (2021: 9)
Definition	Injuries per million working hours.	Did not return to work after injury.	All injuries LTI's and minor first aids.
Why we measure	Safety is the business's core value. These metrics track our health and safety performance and are communicated across the business to all employees.		

**Economy**

We are always at risk of the economy and customer sentiment to the state of the economy and we strive to offer the highest level of customer service in order to minimise this risk. Diversification of revenue streams via business development combined with continuous operational efficiencies which deliver cost effective solutions for our customers are key drivers for our future sustainability.

**Competitive**

The current volatility affecting the steel and oil & gas industry sectors may have a substantial effect on future trading performance. The Group continues to develop new business streams in order to mitigate the effect of a downturn in the above industry sectors and this will continue throughout 2022 and beyond. The Group's strategy remains that of diversifying revenue streams in order to dilute revenue concentration with a single customer.

**Future Investment**

The Group's current infrastructure programme will see the following investments completed within the next financial year:

- i) Repair of deep water quay frontage
- ii) Completion of new Group head office
- iii) Completion of a 25,000 square foot facility incorporating enhanced environmental controls
- iv) Completion of a 40,000 square foot bulk store

Work continues on the group restructuring strategy with A V Dawson Transport Limited commencing trading on the 1 October 2022 as a subsidiary of A V Dawson Limited.

**Financing Risk**

Progress with major capital investments noted above has resulted in a substantial reduction in cash balances this year. Completion of a refinancing exercise has taken place post year end which has resulted in an increase in cash balances held, minimising future finance costs to the Group and maintaining our ability to continue with investment opportunities as they arise.

**Covid-19**

In line with government guidance, the Group complies with all relevant legislation in relation to its duty of care to all stakeholders regarding the Covid-19 pandemic. Meetings are held to ensure we maintain a Covid compliant workplace with regular communications to staff and other stakeholders to ensure they are fully appraised on the Group strategy to mitigate risks of infection.

**Group Strategic Report  
for the Year Ended 30 September 2022**

**Personnel and Training**

Leadership and succession planning has been identified as critical to the future success of A.V.Dawson Limited. Several development programmes are underway at all levels of the Group hierarchy to develop talent and to fill leadership and succession gaps. Investing in our people is a clearly defined and ongoing objective.

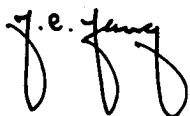
**Critical Success Factors**

Critical success factors focusing on 1) Staff engagement 2) Business development 3) IT optimisation and 4) Waste minimalisation continue to progress. These development areas tie in closely with a strategic plan which will underpin the long term success of A.V.Dawson Limited.

**Compliance and Governance**

Development of professional support functions including Human Resources, Health and Safety, Procurement, Commercial and Marketing continues apace. This consistent, structured and focussed support enables departmental managers to better maximise commercial and operational opportunities within their areas, whilst ensuring they remain engaged with relevant legal and corporate obligations.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'J.E. Young', with a stylized flourish at the end.

J E Young - Director

29 June 2023

**Report of the Directors  
for the Year Ended 30 September 2022**

The directors present their report with the financial statements of the company and the group for the year ended 30 September 2022.

**DIVIDENDS**

An interim dividend of £10,000 per share on the B Ordinary £1 shares were paid monthly. The directors recommend no final dividend be paid on these shares.

No dividends were paid or recommended in respect of the Ordinary £1 shares.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 October 2021 to the date of this report.

G S Dawson  
J E Young  
A K Watkins  
C Nettle

Other changes in directors holding office are as follows:

C Lloyd, L Croce and G E Jones were appointed as directors after 30 September 2022 but prior to the date of this report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

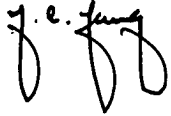
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Report of the Directors  
for the Year Ended 30 September 2022**

**AUDITORS**

The auditors, Clive Owen LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'J. E. Young', with a stylized flourish at the end.

J E Young - Director

29 June 2023



**Report of the Independent Auditors to the Members of  
A.V. Dawson Limited Group**

**Opinion**

We have audited the financial statements of A.V. Dawson Limited Group (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 30 September 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
A.V. Dawson Limited Group**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of  
A.V. Dawson Limited Group**

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Company. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the Health & Safety at work act, Fire precautions act, Employment legislation, Transport and haulage regulations.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of  
A.V. Dawson Limited Group**

**Use of our report**

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

*Clive Owen LLP*

Antony Luckett BCom BFP FCA DChA (Senior Statutory Auditor)  
for and on behalf of Clive Owen LLP  
Chartered Accountants  
& Statutory Auditors  
140 Coniscliffe Road  
Darlington  
County Durham  
DL3 7RT

Date: *29 June 2013*

**Consolidated  
Income Statement  
for the Year Ended 30 September 2022**

	Notes	2022 £	2021 £
<b>TURNOVER</b>	3	28,580,459	28,220,893
Cost of sales		15,706,621	19,518,210
<b>GROSS PROFIT</b>		12,873,838	8,702,683
Administrative expenses		8,142,476	4,036,219
		4,731,362	4,666,464
Other operating income		1,613,410	1,076,311
<b>OPERATING PROFIT</b>	5	6,344,772	5,742,775
Interest receivable and similar income		81,326	22,731
		6,426,098	5,765,506
Amounts written off investments	6	50,000	-
		6,376,098	5,765,506
Interest payable and similar expenses	7	295,859	54,182
<b>PROFIT BEFORE TAXATION</b>		6,080,239	5,711,324
Tax on profit	8	1,330,416	1,234,208
<b>PROFIT FOR THE FINANCIAL YEAR</b>		4,749,823	4,477,116
Profit attributable to: Owners of the parent		4,749,823	4,477,116

**Consolidated  
Other Comprehensive Income  
for the Year Ended 30 September 2022**

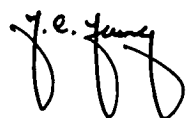
Notes	2022 £	2021 £
<b>PROFIT FOR THE YEAR</b>	4,749,823	4,477,116
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<u>4,749,823</u>	<u>4,477,116</u>
Total comprehensive income attributable to: Owners of the parent	<u>4,749,823</u>	<u>4,477,116</u>

The notes form part of these financial statements

**Company Balance Sheet**  
**30 September 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Intangible assets	11	-	-
Tangible assets	12	40,888,991	36,780,785
Investments	13	1,220,615	100,852
		<u>42,109,606</u>	<u>36,881,637</u>
<b>CURRENT ASSETS</b>			
Stocks	14	157,488	154,903
Debtors	15	8,959,680	8,696,214
Cash at bank and in hand		12,458,990	6,940,926
		<u>21,576,158</u>	<u>15,792,043</u>
<b>CREDITORS</b>			
Amounts falling due within one year	16	9,251,737	10,386,823
		<u>12,324,421</u>	<u>5,405,220</u>
<b>NET CURRENT ASSETS</b>			
		<u>54,434,027</u>	<u>42,286,857</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>41,065,509</u>	<u>37,135,488</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(11,383,359)	(4,341,541)
<b>PROVISIONS FOR LIABILITIES</b>	21	(1,985,159)	(809,828)
<b>NET ASSETS</b>		<u>41,065,509</u>	<u>37,135,488</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	175,005	175,005
Investment property revaluations	23	962,201	962,201
Retained earnings	23	39,928,303	35,998,282
<b>SHAREHOLDERS' FUNDS</b>		<u>41,065,509</u>	<u>37,135,488</u>
Company's profit for the financial year		<u>4,530,021</u>	<u>4,477,116</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 June 2023 and were signed on its behalf by:

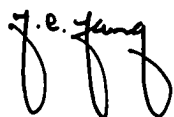


J E Young - Director

**Consolidated Balance Sheet**  
**30 September 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Intangible assets	11	(49,453)	-
Tangible assets	12	41,731,939	36,780,785
Investments	13	50,000	100,000
		<u>41,732,486</u>	<u>36,880,785</u>
<b>CURRENT ASSETS</b>			
Stocks	14	157,488	154,903
Debtors	15	9,196,357	8,595,350
Cash at bank and in hand		13,263,905	7,128,392
		<u>22,617,750</u>	<u>15,878,645</u>
<b>CREDITORS</b>			
Amounts falling due within one year	16	9,678,370	10,469,465
<b>NET CURRENT ASSETS</b>			
		<u>12,939,380</u>	<u>5,409,180</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		54,671,866	42,289,965
<b>CREDITORS</b>			
Amounts falling due after more than one year	17	(11,383,359)	(4,341,541)
<b>PROVISIONS FOR LIABILITIES</b>			
	21	(2,000,088)	(809,828)
<b>NET ASSETS</b>			
		<u>41,288,419</u>	<u>37,138,596</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	22	175,005	175,005
Investment property revaluations	23	962,201	962,201
Retained earnings	23	40,151,213	36,001,390
<b>SHAREHOLDERS' FUNDS</b>			
		<u>41,288,419</u>	<u>37,138,596</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29 June 2023 and were signed on its behalf by:



J E Young - Director



**Consolidated Statement of Changes in Equity  
for the Year Ended 30 September 2022**

	Called up share capital £	Retained earnings £	Investment property revaluations £	Total equity £
<b>Balance at 1 October 2020</b>	175,005	32,078,803	1,007,672	33,261,480
<b>Changes in equity</b>				
Dividends	-	(600,000)	-	(600,000)
Total comprehensive income	-	4,477,116	-	4,477,116
Deferred tax on revaluation	-	45,471	(45,471)	-
<b>Balance at 30 September 2021</b>	<u>175,005</u>	<u>36,001,390</u>	<u>962,201</u>	<u>37,138,596</u>
<b>Changes in equity</b>				
Dividends	-	(600,000)	-	(600,000)
Total comprehensive income	-	4,749,823	-	4,749,823
<b>Balance at 30 September 2022</b>	<u><u>175,005</u></u>	<u><u>40,151,213</u></u>	<u><u>962,201</u></u>	<u><u>41,288,419</u></u>

**Company Statement of Changes in Equity  
for the Year Ended 30 September 2022**

	Called up share capital £	Retained earnings £	Investment property revaluations £	Total equity £
<b>Balance at 1 October 2020</b>	175,005	32,075,695	1,007,672	33,258,372
<b>Changes in equity</b>				
Dividends	-	(600,000)	-	(600,000)
Total comprehensive income	-	4,477,116	-	4,477,116
Deferred tax on revaluation	-	45,471	(45,471)	-
<b>Balance at 30 September 2021</b>	<u>175,005</u>	<u>35,998,282</u>	<u>962,201</u>	<u>37,135,488</u>
<b>Changes in equity</b>				
Dividends	-	(600,000)	-	(600,000)
Total comprehensive income	-	4,530,021	-	4,530,021
<b>Balance at 30 September 2022</b>	<u><u>175,005</u></u>	<u><u>39,928,303</u></u>	<u><u>962,201</u></u>	<u><u>41,065,509</u></u>

**Consolidated Cash Flow Statement  
for the Year Ended 30 September 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	6,413,246	6,338,562
Interest paid		(229,605)	3,689
Interest element of hire purchase payments paid		(61,754)	(57,871)
Finance costs paid		(4,500)	-
Tax paid		(282,681)	(1,117,677)
Net cash from operating activities		<u>5,834,706</u>	<u>5,166,703</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(3,761,321)	(13,696,249)
Sale of tangible fixed assets		296,945	4,031,617
Sale of fixed asset investments		-	501
Sale of investment property		-	(17,600)
Acquisitions, net of cash acquired		(426,421)	-
Interest received		81,326	22,731
Net cash from investing activities		<u>(3,809,471)</u>	<u>(9,659,000)</u>
<b>Cash flows from financing activities</b>			
New loans in year		10,000,000	-
Loan repayments in year		(4,125,000)	(500,000)
New hire purchase contracts in year		-	596,163
Capital repayments in year		(1,149,919)	(1,425,415)
Amount introduced by directors		110,377	-
Amount withdrawn by directors		(125,180)	(22,875)
Equity dividends paid		(600,000)	(600,000)
Net cash from financing activities		<u>4,110,278</u>	<u>(1,952,127)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>6,135,513</u>	<u>(6,444,424)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>7,128,392</u>	<u>13,572,816</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>13,263,905</u></u>	<u><u>7,128,392</u></u>

The notes form part of these financial statements

**Notes to the Consolidated Cash Flow Statement  
for the Year Ended 30 September 2022**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2022	2021
	£	£
Profit before taxation	6,080,239	5,711,324
Depreciation charges	2,467,432	2,741,787
Profit on disposal of fixed assets	(190,068)	(2,426,999)
Government grants	(34,428)	(34,428)
Finance costs	295,859	54,182
Finance income	(81,326)	(22,731)
	<u>8,537,708</u>	<u>6,023,135</u>
Increase in stocks	(2,585)	(80,339)
(Increase)/decrease in trade and other debtors	(421,585)	321,531
(Decrease)/increase in trade and other creditors	<u>(1,700,292)</u>	<u>74,235</u>
<b>Cash generated from operations</b>	<u><u>6,413,246</u></u>	<u><u>6,338,562</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 30 September 2022**

	30.9.22	1.10.21
	£	£
Cash and cash equivalents	<u><u>13,263,905</u></u>	<u><u>7,128,392</u></u>

**Year ended 30 September 2021**

	30.9.21	1.10.20
	£	£
Cash and cash equivalents	<u><u>7,128,392</u></u>	<u><u>13,572,816</u></u>

Notes to the Consolidated Cash Flow Statement  
for the Year Ended 30 September 2022

3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.10.21 £	Cash flow £	Other non-cash changes £	At 30.9.22 £
<b>Net cash</b>				
Cash at bank and in hand	7,128,392	6,135,513		13,263,905
	<u>7,128,392</u>	<u>6,135,513</u>		<u>13,263,905</u>
<b>Debt</b>				
Finance leases	(1,448,425)	1,149,919	(3,079,358)	(3,377,864)
Debts falling due within 1 year	(750,000)	(500,000)	-	(1,250,000)
Debts falling due after 1 year	(3,125,000)	(5,375,000)	-	(8,500,000)
	<u>(5,323,425)</u>	<u>(4,725,081)</u>	<u>(3,079,358)</u>	<u>(13,127,864)</u>
<b>Total</b>	<u>1,804,967</u>	<u>1,410,432</u>	<u>(3,079,358)</u>	<u>136,041</u>

**Notes to the Consolidated Financial Statements  
for the Year Ended 30 September 2022**

**1. STATUTORY INFORMATION**

A.V. Dawson Limited Group is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

**Depreciation** - Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the useful economic life of assets is detailed in the depreciation accounting policy. The value of depreciation charge in the profit and loss account during the year was £2,467,432.

**Provisions** - There is an element of estimation and judgement made by the directors when considering some of the accruals not yet billed e.g. Rates and Dilapidation provision.

**Accrued income** - There is an element of estimation and judgement made by the directors when considering some of the income not yet billed.

**Investment property valuations** - Investment properties were last formally valued in 2020. There is an element of estimation and judgement made by management when reviewing these values at the balance sheet date.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022**

**2. ACCOUNTING POLICIES - continued**

**Turnover**

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Turnover represents net invoiced rents received on investment properties, excluding value added tax.

**Income recognition**

Income is recognised when the conditions contained within a contract for services have been met.

Income is recognised when a contract for the sale of goods is determined as unconditional.

Rental income is recognised in accordance with the contractual terms of the lease.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2010, is being amortised evenly over its estimated useful life of five years.

Negative goodwill is in respect of an acquisition of a business in 2022 and will be written back to the profit and loss account over the next 5 years.

**Intangible assets**

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

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold properties	- 2% - 4% on cost and 2% on cost
Leasehold properties	- over period of the lease
Plant and machinery	- 25% on reducing balance, 25% on cost and 10 - 25% on cost
Motor vehicles	- 25% on cost
Workshop and office equipment	- 12.5 - 25% on cost

Assets held in capital work in progress are not depreciated as the assets are not yet brought into use.

In accordance with FRS 102:

i. Investment properties are stated at their fair value, with any surplus or deficit, accounted for through the Profit and Loss account. The cumulative effect of any revaluations, less deferred tax, are held within a non-distributable reserve called Investment property revaluations. The properties have been valued by the directors at the year-end; and

ii. No depreciation or amortisation is provided in respect of freehold investment properties and leasehold investments with over 20 years to run.

The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise be shown cannot be separately identified or quantified.

**Stocks**

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

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell and is accounted for on a FIFO basis.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

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

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

Rentals paid under operating leases are charged to the profit and loss account as incurred.

**Financial instruments**

Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss.

**Investments**

Investments held as fixed assets are stated at cost less provision for any impairment in value.

**Pension costs and other post-retirement benefits**

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



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

3. **TURNOVER**

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

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Haulage	11,674,450	9,797,063
Storage and handling	4,699,594	9,227,778
Rents receivable	1,883,698	1,620,535
Workshop services	207,575	295,953
North Sea Supply Base	9,022,553	6,269,134
Cockfield Knight	774,927	900,246
Renewable energy revenue	179,956	110,184
Cobra Middlesbrough	137,706	-
	<u>28,580,459</u>	<u>28,220,893</u>

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	<u>28,580,459</u>	<u>28,220,893</u>
	<u>28,580,459</u>	<u>28,220,893</u>

4. **EMPLOYEES AND DIRECTORS**

	2022	2021
	£	£
Wages and salaries	7,270,020	7,437,092
Social security	756,141	752,521
Pension	457,253	220,056
	<u>8,483,424</u>	<u>8,409,669</u>

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

	2022	2021
Management	24	23
Administration	44	37
Warehousing, maintenance and operations	60	123
Haulage	56	45
	<u>184</u>	<u>228</u>

	2022	2021
	£	£
Directors' remuneration	<u>562,669</u>	<u>597,178</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022**

**4. EMPLOYEES AND DIRECTORS - continued**

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

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2022 £	2021 £
Emoluments etc	<u>170,060</u>	<u>178,443</u>

**5. OPERATING PROFIT**

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

	2022 £	2021 £
Depreciation - owned assets	1,572,451	1,509,085
Depreciation - assets on hire purchase contracts	916,157	1,075,979
Profit on disposal of fixed assets	(190,068)	(2,426,999)
Audit fee	48,535	21,603
Foreign exchange differences	(9,856)	60,088
Grants released	<u>34,428</u>	<u>39,861</u>

**6. AMOUNTS WRITTEN OFF INVESTMENTS**

	2022 £	2021 £
Impairment of investments	<u>50,000</u>	<u>-</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022 £	2021 £
Loan interest	229,605	92,492
Other interest	-	(96,181)
Hire purchase	61,754	57,871
Preference share dividends	4,500	-
	<u>295,859</u>	<u>54,182</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

## 8. TAXATION

**Analysis of the tax charge**

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

	2022 £	2021 £
Current tax:		
UK corporation tax	204,989	542,967
Prior year overprovision	(49,904)	25,404
Total current tax	155,085	568,371
Deferred tax	1,175,331	665,837
Tax on profit	1,330,416	1,234,208

**Reconciliation of total tax charge included in profit and loss**

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

	2022 £	2021 £
Profit before tax	6,080,239	5,711,324
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,155,245	1,085,152
Effects of:		
Expenses not deductible for tax purposes	(14,691)	(28,288)
Depreciation in excess of capital allowances	239,766	151,940
Adjustments to tax charge in respect of previous periods	(49,904)	25,404
Total tax charge	1,330,416	1,234,208

## 9. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements.

## 10. DIVIDENDS

	2022 £	2021 £
B Ordinary shares of £1 each		
Interim	600,000	600,000

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

11. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
<b>COST</b>	
At 1 October 2021	50,000
Additions	(49,453)
	<u>547</u>
At 30 September 2022	
<b>AMORTISATION</b>	
At 1 October 2021	50,000
and 30 September 2022	<u>50,000</u>
<b>NET BOOK VALUE</b>	
At 30 September 2022	(49,453)
	<u>-</u>
At 30 September 2021	<u>-</u>

Company

	Goodwill £
<b>COST</b>	
At 1 October 2021	50,000
and 30 September 2022	<u>50,000</u>
<b>AMORTISATION</b>	
At 1 October 2021	50,000
and 30 September 2022	<u>50,000</u>
<b>NET BOOK VALUE</b>	
At 30 September 2022	-
	<u>-</u>
At 30 September 2021	<u>-</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

## 12. TANGIBLE FIXED ASSETS

Group	Freehold properties £	Leasehold properties £	Investment properties £	Plant and machinery £
<b>COST OR VALUATION</b>				
At 1 October 2021	21,082,601	1,486,396	5,924,900	12,866,225
Additions	1,182,503	580,000	-	640,499
Disposals	-	-	(17,600)	(1,454,348)
Reclassification/transfer	7,102,706	-	-	2,941,766
At 30 September 2022	29,367,810	2,066,396	5,907,300	14,994,142
<b>DEPRECIATION</b>				
At 1 October 2021	4,387,083	1,486,396	-	8,930,231
Charge for year	730,199	-	-	1,170,600
Eliminated on disposal	-	-	-	(1,347,472)
At 30 September 2022	5,117,282	1,486,396	-	8,753,359
<b>NET BOOK VALUE</b>				
At 30 September 2022	24,250,528	580,000	5,907,300	6,240,783
At 30 September 2021	16,695,518	-	5,924,900	3,935,994
	Capital work in progress £	Motor vehicles £	Workshop and office equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 October 2021	9,117,454	5,243,033	302,002	56,022,611
Additions	3,801,935	1,393,408	104,239	7,702,584
Disposals	(138,346)	(277,614)	(25,464)	(1,913,372)
Reclassification/transfer	(10,044,472)	-	-	-
At 30 September 2022	2,736,571	6,358,827	380,777	61,811,823
<b>DEPRECIATION</b>				
At 1 October 2021	-	4,157,291	280,825	19,241,826
Charge for year	-	566,427	21,382	2,488,608
Eliminated on disposal	-	(277,614)	(25,464)	(1,650,550)
At 30 September 2022	-	4,446,104	276,743	20,079,884
<b>NET BOOK VALUE</b>				
At 30 September 2022	2,736,571	1,912,723	104,034	41,731,939
At 30 September 2021	9,117,454	1,085,742	21,177	36,780,785

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

12. TANGIBLE FIXED ASSETS - continued

Group

Cost or valuation at 30 September 2022 is represented by:

	Freehold properties £	Leasehold properties £	Investment properties £	Plant and machinery £
Valuation in 1999	-	-	740,746	-
Valuation in 2020	-	-	379,090	-
Cost	29,367,810	2,066,396	4,787,464	14,994,142
	<u>29,367,810</u>	<u>2,066,396</u>	<u>5,907,300</u>	<u>14,994,142</u>

	Capital work in progress £	Motor vehicles £	Workshop and office equipment £	Totals £
Valuation in 1999	-	-	-	740,746
Valuation in 2020	-	-	-	379,090
Cost	2,736,571	6,358,827	380,777	60,691,987
	<u>2,736,571</u>	<u>6,358,827</u>	<u>380,777</u>	<u>61,811,823</u>

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

	2022 £	2021 £
Cost	<u>4,787,464</u>	<u>4,840,264</u>

Investment properties were valued on an fair value basis on 30 September 2020 by the Directors.

The Directors believe investment properties to still be held at fair value as at 30 September 2022.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

## 12. TANGIBLE FIXED ASSETS - continued

## Group

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

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>			
At 1 October 2021	4,384,089	1,687,845	6,071,934
Additions	(275,155)	1,055,225	780,070
Disposals	(270,648)	-	(270,648)
Transfer to ownership	(1,696,264)	(798,000)	(2,494,264)
Reclassification/transfer	2,941,766	-	2,941,766
At 30 September 2022	5,083,788	1,945,070	7,028,858
<b>DEPRECIATION</b>			
At 1 October 2021	2,601,460	1,117,037	3,718,497
Charge for year	598,239	317,918	916,157
Eliminated on disposal	(164,402)	-	(164,402)
Transfer to ownership	(1,696,264)	(798,000)	(2,494,264)
At 30 September 2022	1,339,033	636,955	1,975,988
<b>NET BOOK VALUE</b>			
At 30 September 2022	3,744,755	1,308,115	5,052,870
At 30 September 2021	1,782,629	570,808	2,353,437

## Company

	Freehold properties £	Leasehold properties £	Investment properties £	Plant and machinery £
<b>COST OR VALUATION</b>				
At 1 October 2021	21,082,601	1,486,396	5,924,900	12,866,225
Additions	1,055,003	-	-	561,926
Disposals	-	-	(17,600)	(1,454,348)
Reclassification/transfer	7,102,706	-	-	2,941,766
At 30 September 2022	29,240,310	1,486,396	5,907,300	14,915,569
<b>DEPRECIATION</b>				
At 1 October 2021	4,387,083	1,486,396	-	8,930,231
Charge for year	730,199	-	-	1,170,600
Eliminated on disposal	-	-	-	(1,347,472)
At 30 September 2022	5,117,282	1,486,396	-	8,753,359
<b>NET BOOK VALUE</b>				
At 30 September 2022	24,123,028	-	5,907,300	6,162,210
At 30 September 2021	16,695,518	-	5,924,900	3,935,994

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

## 12. TANGIBLE FIXED ASSETS - continued

## Company

	Capital work in progress £	Motor vehicles £	Workshop and office equipment £	Totals £
<b>COST OR VALUATION</b>				
At 1 October 2021	9,117,454	5,243,033	302,002	56,022,611
Additions	3,801,935	1,317,575	104,239	6,840,678
Disposals	(138,346)	(277,614)	(25,464)	(1,913,372)
Reclassification/transfer	(10,044,472)	-	-	-
At 30 September 2022	2,736,571	6,282,994	380,777	60,949,917
<b>DEPRECIATION</b>				
At 1 October 2021	-	4,157,291	280,825	19,241,826
Charge for year	-	547,469	21,382	2,469,650
Eliminated on disposal	-	(277,614)	(25,464)	(1,650,550)
At 30 September 2022	-	4,427,146	276,743	20,060,926
<b>NET BOOK VALUE</b>				
At 30 September 2022	2,736,571	1,855,848	104,034	40,888,991
At 30 September 2021	9,117,454	1,085,742	21,177	36,780,785

Cost or valuation at 30 September 2022 is represented by:

	Freehold properties £	Leasehold properties £	Investment properties £	Plant and machinery £
Valuation in 1999	-	-	740,746	-
Valuation in 2020	-	-	379,090	-
Cost	29,240,310	1,486,396	4,787,464	14,915,569
	29,240,310	1,486,396	5,907,300	14,915,569

	Capital work in progress £	Motor vehicles £	Workshop and office equipment £	Totals £
Valuation in 1999	-	-	-	740,746
Valuation in 2020	-	-	-	379,090
Cost	2,736,571	6,282,994	380,777	59,830,081
	2,736,571	6,282,994	380,777	60,949,917



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

## 12. TANGIBLE FIXED ASSETS - continued

## Company

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

	2022 £	2021 £
Cost	<u>4,787,464</u>	<u>4,840,264</u>

Investment properties were valued on an fair value basis on 30 September 2020 by the Directors.

The Directors believe investment properties to still be held at fair value as at 30 September 2022.

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

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>			
At 1 October 2021	4,384,089	1,687,845	6,071,934
Additions	(275,155)	1,055,225	780,070
Disposals	(270,648)	-	(270,648)
Transfer to ownership	(1,696,264)	(798,000)	(2,494,264)
Reclassification/transfer	2,941,766	-	2,941,766
At 30 September 2022	<u>5,083,788</u>	<u>1,945,070</u>	<u>7,028,858</u>
<b>DEPRECIATION</b>			
At 1 October 2021	2,601,460	1,117,037	3,718,497
Charge for year	598,239	317,918	916,157
Eliminated on disposal	(164,402)	-	(164,402)
Transfer to ownership	(1,696,264)	(798,000)	(2,494,264)
At 30 September 2022	<u>1,339,033</u>	<u>636,955</u>	<u>1,975,988</u>
<b>NET BOOK VALUE</b>			
At 30 September 2022	<u>3,744,755</u>	<u>1,308,115</u>	<u>5,052,870</u>
At 30 September 2021	<u>1,782,629</u>	<u>570,808</u>	<u>2,353,437</u>

## 13. FIXED ASSET INVESTMENTS

## Group

	Unlisted investments £
<b>COST</b>	
At 1 October 2021	100,000
Impairments	(50,000)
At 30 September 2022	<u>50,000</u>
<b>NET BOOK VALUE</b>	
At 30 September 2022	<u>50,000</u>
At 30 September 2021	<u>100,000</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

13. **FIXED ASSET INVESTMENTS - continued**

**Company**

	Unlisted investments £
<b>COST</b>	
At 1 October 2021	100,852
Additions	1,169,763
Impairments	(50,000)
	<hr/>
At 30 September 2022	1,220,615
	<hr/>
<b>NET BOOK VALUE</b>	
At 30 September 2022	1,220,615
	<hr/>
At 30 September 2021	100,852
	<hr/>

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

**Subsidiaries**

**W G Thomas & Co Limited**

Registered office: C/O Av Dawson Limited The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, Cleveland, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

**Dawson (Tees Wharf) Limited**

Registered office: C/O Av Dawson Ltd The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, Cleveland, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

**AVD Industrial and Port Services Ltd**

Registered office: The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

**A.V. Dawson Transport Ltd**

Registered office: The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

13. **FIXED ASSET INVESTMENTS - continued**

**Port of Middlesbrough Ltd**

Registered office: The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

**Cockfield Knight & Co Ltd**

Registered office: The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Shipping agents

	%
Class of shares:	holding
Ordinary	100.00

**Middlesbrough Port Ltd**

Registered office: C/O Av Dawson Ltd, The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

**Port Middlesbrough Ltd**

Registered office: The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

**Cobra Middlesbrough Limited**

Registered office: The Staiths, Port Of Middlesbrough, Depot Road, Middlesbrough, United Kingdom, TS2 1LE

Nature of business: Dry bulk handling terminal operatives

	%
Class of shares:	holding
Ordinary	100.00

14. **STOCKS**

	<b>Group</b>		<b>Company</b>	
	2022	2021	2022	2021
	£	£	£	£
Consumables	157,488	154,903	157,488	154,903

15. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	5,617,445	3,824,588	5,090,445	3,647,341
Amounts owed by group undertakings	-	-	618,766	287,509
Other debtors	1,197,648	1,653,494	961,066	1,653,494
Prepayments and accrued income	2,381,264	3,117,268	2,289,403	3,107,870
	<u>9,196,357</u>	<u>8,595,350</u>	<u>8,959,680</u>	<u>8,696,214</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 18)	1,000,000	500,000	1,000,000	500,000
Preference shares (see note 18)	250,000	250,000	250,000	250,000
Hire purchase contracts (see note 19)	1,032,018	803,825	1,032,018	803,825
Trade creditors	2,119,556	4,275,003	1,859,943	4,275,003
Amounts owed to group undertakings	-	-	-	501
Corporation tax	156,376	239,703	74,516	239,703
Taxation and social security	526,492	251,280	499,682	184,496
Other creditors	1,502,388	1,002,176	1,442,484	962,609
Amounts due to related undertakings	-	-	23,208	23,208
Deferred grants	34,428	34,428	34,428	34,428
Directors' current accounts	110,377	125,180	110,377	125,180
Accruals and deferred income	2,946,735	2,987,870	2,925,081	2,987,870
	<u>9,678,370</u>	<u>10,469,465</u>	<u>9,251,737</u>	<u>10,386,823</u>

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans (see note 18)	8,500,000	3,125,000	8,500,000	3,125,000
Hire purchase contracts (see note 19)	2,345,846	644,600	2,345,846	644,600
Deferred grants	537,513	571,941	537,513	571,941
	<u>11,383,359</u>	<u>4,341,541</u>	<u>11,383,359</u>	<u>4,341,541</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

18. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	1,000,000	500,000	1,000,000	500,000
Preference shares	250,000	250,000	250,000	250,000
	<u>1,250,000</u>	<u>750,000</u>	<u>1,250,000</u>	<u>750,000</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>1,000,000</u>	<u>500,000</u>	<u>1,000,000</u>	<u>500,000</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>3,000,000</u>	<u>2,625,000</u>	<u>3,000,000</u>	<u>2,625,000</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instalments	<u>4,500,000</u>	<u>-</u>	<u>4,500,000</u>	<u>-</u>
	<u>4,500,000</u>	<u>-</u>	<u>4,500,000</u>	<u>-</u>

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2022	2021
			£	£
250,000	Preference shares	1	<u>250,000</u>	<u>250,000</u>

The shares are non-voting, carry a cumulative dividend of 1.8% per annum, receive priority over all other classes of shares on a winding up and are redeemable at par over a period of 20 years from the date of issue or such earlier date as agreed by both the shareholder and the company.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

19. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

**Group**

	Hire purchase contracts	
	2022	2021
	£	£
Gross obligations repayable:		
Within one year	1,093,394	841,504
Between one and five years	2,496,716	674,053
	<u>3,590,110</u>	<u>1,515,557</u>
Finance charges repayable:		
Within one year	61,376	37,679
Between one and five years	150,870	29,453
	<u>212,246</u>	<u>67,132</u>
Net obligations repayable:		
Within one year	1,032,018	803,825
Between one and five years	2,345,846	644,600
	<u>3,377,864</u>	<u>1,448,425</u>

**Company**

	Hire purchase contracts	
	2022	2021
	£	£
Gross obligations repayable:		
Within one year	1,093,394	841,504
Between one and five years	2,496,716	674,053
	<u>3,590,110</u>	<u>1,515,557</u>
Finance charges repayable:		
Within one year	61,376	37,679
Between one and five years	150,870	29,453
	<u>212,246</u>	<u>67,132</u>
Net obligations repayable:		
Within one year	1,032,018	803,825
Between one and five years	2,345,846	644,600
	<u>3,377,864</u>	<u>1,448,425</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

19. LEASING AGREEMENTS - continued

Group

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	72,245	9,059
Between one and five years	241,735	-
In more than five years	2,194,500	-
	<u>2,508,480</u>	<u>9,059</u>

Company

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	14,345	9,059
Between one and five years	10,135	-
	<u>24,480</u>	<u>9,059</u>

20. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans	9,500,000	3,625,000	9,500,000	3,625,000
Hire purchase contracts	3,377,864	1,448,425	3,377,864	1,448,425
	<u>12,877,864</u>	<u>5,073,425</u>	<u>12,877,864</u>	<u>5,073,425</u>

The bank loans are secured by a fixed and floating charge over the property of the Group. The hire purchase contracts are secured over the assets to which they relate.

Loans are due to expire in January 2027. Interest on loans are 1.5% above base rate per annum and 3.15% per annum.

21. PROVISIONS FOR LIABILITIES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred tax	<u>2,000,088</u>	<u>809,828</u>	<u>1,985,159</u>	<u>809,828</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

21. PROVISIONS FOR LIABILITIES - continued

Group		Deferred tax £
Balance at 1 October 2021		809,828
Accelerated capital allowances		1,190,260
Change in tax rate		
Balance at 30 September 2022		<u>2,000,088</u>
Company		Deferred tax £
Balance at 1 October 2021		809,828
Accelerated capital allowances		1,175,331
Change in tax rate		
Balance at 30 September 2022		<u>1,985,159</u>

22. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2022 £	2021 £
Number:	Class:			
175,000	Ordinary	£1	175,000	175,000
5	B Ordinary	£1	5	5
			<u>175,005</u>	<u>175,005</u>

The Ordinary shares have full voting rights, right to dividends and the right to capital distributions (including on winding up). There are no rights to redemption.

The B Ordinary shares have full voting rights, right to dividends and the right to capital distributions (including on winding up). There are no rights to redemption.

23. RESERVES

Group	Retained earnings £	Investment property revaluations £	Totals £
At 1 October 2021	36,001,390	962,201	36,963,591
Profit for the year	4,749,823		4,749,823
Dividends	(600,000)		(600,000)
At 30 September 2022	<u>40,151,213</u>	<u>962,201</u>	<u>41,113,414</u>



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 30 September 2022

23. RESERVES - continued

Company

	Retained earnings £	Investment property revaluations £	Totals £
At 1 October 2021	35,998,282	962,201	36,960,483
Profit for the year	4,530,021		4,530,021
Dividends	(600,000)		(600,000)
At 30 September 2022	<u>39,928,303</u>	<u>962,201</u>	<u>40,890,504</u>

Retained earnings - includes all current and prior period retained profits and losses, less and distributions made.

Investment property revaluations - represents the cumulative effect of revaluations of investment properties.

24. RELATED PARTY DISCLOSURES

Key management personnel of the entity or its parent (in the aggregate)

	2022 £	2021 £
Remuneration	1,429,074	1,166,175
Amount due to related party	<u>110,377</u>	<u>125,180</u>

Interest charged at 8.25%.

Other related parties

	2022 £	2021 £
Sales	114,655	-
Amount due to related party	<u>883,915</u>	<u>629,655</u>

25. ULTIMATE CONTROLLING PARTY

The controlling party is G S Dawson.