

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2022
FOR
T J TRANSPORT GROUP HOLDINGS LIMITED**

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FOR THE YEAR ENDED 31ST DECEMBER 2022**

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T J TRANSPORT GROUP HOLDINGS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2022**

DIRECTORS:

T J Higgins
J D Gosling
J W Higgins
N Glazebrook
S Grant
B Curtis

REGISTERED OFFICE:

Charity Farm,
127 Wickham Road,
Fareham,
Hampshire,
PO17 5BP

REGISTERED NUMBER:

12106975 (England and Wales)

AUDITORS:

RSM UK Audit LLP
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TY

BANKERS:

HSBC Bank Plc
55 Above Bar Street
Southampton
Hampshire
SO14 7DZ

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

The directors present their strategic report of the company and the group for the year ended 31st December 2022.

REVIEW OF BUSINESS

The principal operation of the group continued to be the provision of transport and haulage services to the construction, building materials and waste industries, and the provision of waste management services to commercial and domestic consumers.

For the Transport side of the business, a strong start to 2022 was impacted by the uncertainty caused by the geopolitical conflict. We were able to respond well to the market uncertainty amidst concerns of a recession which did impact some customer project delays over the typically busier summer. We were able to adjust our strategy with alternative revenue sources using our vast network of suppliers and customers when it was clear internal disposal sites would not become available due to the availability of the planning procedures. We were able to adapt and deal with some of the consequential cost pressures experienced in the year. The investment in internal sites will still result in a higher availability of internal disposal sites over the coming years which will enable greater control over the cost and consistency of disposal options. For the Waste side of the business, trading was somewhat muted over the year, with reasonable demand at our sites, but a decline around our skip services. It is a seasonal business with the first half of the year typically busier than the latter and it was in the latter half that a weakening in retail demand was experienced. In 2022 we faced challenges around the cost of disposal as recent process changes no longer allowed access to more competitive disposal pricing. This prompted a review of all processes, pricing, operations and routes to disposal over the second half of the year. We anticipate the full effect of these to be seen in Q1 2023. The geopolitical landscape caused high inflationary cost pressures around fuel and energy with a consequential impact dampening the retail demand over the second half of the year.

Competition across the group remains fierce and there are upward pressures on costs, particularly disposal costs, fuel and staff costs. It is expected these inordinately high pressures will ease as we progress through 2023. Revenue has increased to £41 million (2021: £38 million) and, due to the pressures on margins, the group has returned a Loss before tax of £198k this year (2021: Profit before tax of £1.1 million). The net assets have decreased to £5.1 million (2021: £5.3 million).

Considering the consequences of the geopolitical conflict, strategy adjustment and disposal cost issues, the company has performed marginally below expectations however positive aspects of the year include:

- £3m increase in revenue;
- Cash flow is in line with expectations;
- Good platform for management of cost pressures, and internal site expansions to improve future profitability

Future developments

We will continue to maximise efficiencies across all operations supported by strong financial reporting and operational controls. We have a strong platform to continue our organic growth into 2023 resulting from:

- Our strong local market presence and brand awareness and our continued development of our geographic infrastructure and services offering;
- Our ongoing focus on Research and Development to improve recycling and reduce costs of disposal, demonstrating our commitment to the environment;
- Investing in improved IT and management systems and innovative transport initiatives.

Our people remain at the heart of our business; they have shown great resilience and dedication; our employees continue to be critical to ensuring our success. We need to remain an employer of choice and, more than ever, our aim is to provide an exciting and rewarding workplace.

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)
GROUP STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022

The principal risks and uncertainties facing the group are mitigated as far as possible:

- Wider political and economic fluctuations and alignment with the construction industry: The group monitor business levels and look to provide professional and excellent service, delivered safely to encourage customer loyalty and enhance our brand.
- Regulatory compliance: In a regulation intensive industry, Management monitor controls and compliance regularly.
- Landfill cost pressure: Sites continue to close as they fill, however, tonnages are not currently declining. The group look to enhance its network of sites, both internally and externally to mitigate this risk
- Fuel prices: The industry is affected as a whole, but short-term price increases cannot always be recovered, management monitor fuel efficiency levels closely to ensure that volumes are used efficiently.

ON BEHALF OF THE BOARD:

T Higgins

.....
T J Higgins - Director

26/06/23
Date:

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2022**

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2022.

DIVIDENDS

Interim dividends on the Ordinary A £1 shares were paid of £1.25 per share during the year. The directors recommend that no final dividend be paid.

Total distribution of dividends for the year ended 31st December 2022 is £100,000 (2021: £100,000).

RESEARCH AND DEVELOPMENT

Research and Development within the Group involving improved waste sorting process; process improvements to decrease their environmental impact; internal and back office systems improvements; enhanced vehicle security and safety equipment and processes amounted to £623,760 - (2021: £934,946).

DIRECTORS

The directors who served office during the entire year and up to the date of signing the financial statements, unless otherwise indicated, were as follows:

T J Higgins

J D Gosling

J W Higgins

N Glazebrook

S Grant

B Curtis

The Group has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

FINANCIAL RISK MANAGEMENT

The Group's operations expose it to a number of financial risks that include credit risk, interest rate risk and movement in the price of raw materials, particularly fuel. There is no exposure to foreign exchange risk as the sells company all its products in sterling.

Credit risk is managed regularly reviewing credit status of customers and stopping supplies where necessary. The Group has a good track record with regard to bad debts and continues to strive to minimise losses in this area. Interest rate risk is controlled by having a good mix of fixed and variable rate debt. Fluctuations in fuel prices are difficult to manage, however, are passed onto the customer whenever possible.

KEY PERFORMANCE INDICATORS

Given the straightforward nature of the business, the Group's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

**REPORT OF THE DIRECTORS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 group and 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.

STRATEGIC REPORT

The Group has chosen, in accordance with Companies Act 2006 S414 C (ii), to set out in the Group's strategic report information required by Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008. Sch.7 to be contained in the directors' report. This has been done so in respect of future developments.

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.

AUDITORS

The auditors, RSM UK Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

T Higgins

.....
T J Higgins - Director

26/06/23
Date:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T J TRANSPORT GROUP HOLDINGS LIMITED

Opinion

We have audited the financial statements of T J Transport Group Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of comprehensive income, consolidated and company Balance sheets, consolidated and company statements of changes in equity and consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company 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 or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T J TRANSPORT GROUP HOLDINGS LIMITED- continued

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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept 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 directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operates in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS102, Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures including completion of disclosures checklists, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T J TRANSPORT
GROUP HOLDINGS LIMITED- continued**

There were no significant laws and regulations that have an indirect impact on the financial statements.

The group audit engagement team identified the risk of management override of controls and the cut-off of revenue as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and reviewing revenue transactions recorded near and subsequent to the year end to ensure they have been recorded in the correct period.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.

Use of our report

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

RSM UK Audit Ltd

Paul Anthony (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Highfield Court
Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TY

Date: 26/06/23

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	31/12/22 £	31/12/21 £
TURNOVER	3	41,188,603	38,018,074
Cost of sales		<u>(37,000,337)</u>	<u>(32,824,106)</u>
GROSS PROFIT		4,188,266	5,193,968
Administrative expenses		<u>(4,216,787)</u>	<u>(4,088,331)</u>
		(28,521)	1,105,637
Grant income		-	81,751
Other operating income		<u>75,000</u>	<u>80,000</u>
OPERATING PROFIT	5	46,479	1,267,388
Interest receivable and similar income		<u>3,662</u>	<u>59</u>
		50,141	1,267,447
Interest payable and similar expenses	6	<u>(248,282)</u>	<u>(181,182)</u>
PROFIT/(LOSS) BEFORE TAXATION		(198,141)	1,086,265
Tax on profit	7	<u>160,617</u>	<u>(238,119)</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		(37,524)	848,146
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>(37,524)</u>	<u>848,146</u>
Profit/(Loss) attributable to: Owners of the parent		<u>(37,524)</u>	<u>848,146</u>
Total comprehensive income/(Loss) attributable to: Owners of the parent		<u>(37,524)</u>	<u>848,146</u>

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**CONSOLIDATED BALANCE SHEET
31ST DECEMBER 2022**

	Notes	31/12/22 £	31/12/21 £
FIXED ASSETS			
Intangible assets	9	117,720	160,324
Tangible assets	10	10,044,691	10,366,389
		<u>10,162,411</u>	<u>10,526,713</u>
CURRENT ASSETS			
Stocks	12	83,482	92,267
Debtors	13	7,283,083	7,189,852
Cash at bank and in hand		659,794	1,002,657
		<u>8,026,359</u>	<u>8,284,776</u>
CREDITORS			
Amounts falling due within one year	14	(9,116,516)	(8,837,004)
NET CURRENT ASSETS/(LIABILITIES)		<u>(1,090,157)</u>	<u>(552,228)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,072,254	9,974,485
CREDITORS			
Amounts falling due after more than one year	15	(3,116,628)	(3,738,063)
PROVISIONS FOR LIABILITIES	19	(827,717)	(970,989)
NET ASSETS		<u>5,127,909</u>	<u>5,265,433</u>
CAPITAL AND RESERVES			
Called up share capital	20	100,160	100,160
Share premium	21	29,940	29,940
Revaluation reserve	21	1,128,032	1,150,941
Capital reserve	21	14,640	14,640
Retained earnings	21	3,855,137	3,969,752
SHAREHOLDERS' FUNDS		<u>5,127,909</u>	<u>5,265,433</u>

The financial statements were approved and authorised for issue by the Board of Directors on 26/06/23 and were signed on its behalf by:

T Higgins

.....
T J Higgins - Director

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**COMPANY BALANCE SHEET
31ST DECEMBER 2022**

	Notes	31/12/22 £	31/12/21 £
FIXED ASSETS			
Investments	11	1,113,332	1,113,332
		<u>1,113,332</u>	<u>1,113,332</u>
CURRENT ASSETS			
Debtors	13	96,200	15,216
Cash at bank and in hand		77,346	120,778
		<u>173,546</u>	<u>135,994</u>
CREDITORS			
Amounts falling due within one year	14	(100,154)	(96,285)
NET CURRENT ASSETS		<u>73,392</u>	<u>39,709</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,186,724	1,153,041
CREDITORS			
Amounts falling due after more than one year	15	-	-
PROVISIONS FOR LIABILITIES	19	(2,050)	-
NET ASSETS		<u>1,188,774</u>	<u>1,153,041</u>
CAPITAL AND RESERVES			
Called up share capital	20	100,160	100,160
Retained earnings	21	1,088,614	1,052,881
SHAREHOLDERS' FUNDS		<u>1,188,774</u>	<u>1,153,041</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the period was £135,733 (2021: £139,709).

The financial statements were approved and authorised for issue by the Board of Directors on 26/06/23 and were signed on its behalf by:

T Higgins

.....
T J Higgins - Director

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2022**

Group	Share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Capital reserve £	Total Equity £
At 1st January 2021	100,160	3,198,697	29,940	1,173,850	14,640	4,517,287
Profit for the year	-	848,146	-	-	-	848,146
Total comprehensive income	-	848,146	-	-	-	848,146
Dividends	-	(100,000)	-	-	-	(100,000)
Transfer of depreciation on revalued asset	-	22,909	-	(22,909)	-	-
At 31st December 2021	100,160	3,969,752	29,940	1,150,941	14,640	5,265,433
Profit for the year	-	(37,524)	-	-	-	(37,524)
Total comprehensive income	-	(37,524)	-	-	-	(37,524)
Dividends	-	(100,000)	-	-	-	(100,000)
Transfer of depreciation on revalued asset	-	22,909	-	(22,909)	-	-
At 31st December 2022	100,160	3,855,137	29,940	1,128,032	14,640	5,127,909

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31ST DECEMBER 2022**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	100,160	1,013,172	1,113,332
Changes in equity			
Profit for the period	-	139,709	139,709
Total comprehensive income	-	139,709	139,709
Dividends	-	(100,000)	(100,000)
Issued share capital	-	-	-
Balance at 31st December 2021	100,160	1,052,881	1,153,041
Changes in equity			
Profit for the period	-	135,733	135,733
Total comprehensive income	-	135,733	135,733
Dividends	-	(100,000)	(100,000)
Balance at 31st December 2022	100,160	1,088,614	1,188,774

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

	Notes	31/12/22 £	31/12/21 £
Cash flows from operating activities			
Cash generated from operations	1	860,828	1,129,039
Taxation		(3,187)	(9,452)
Net cash inflow from operating activities		857,641	1,119,587
Cash flows from investing activities			
Purchase of tangible fixed assets		(340,290)	(644,062)
Purchase of intangible fixed assets		-	(26,000)
Sale of tangible fixed assets		373,000	421,526
Interest received		3,662	59
Net cash from investing activities		36,372	(248,477)
Cash flows from financing activities			
Loan repayments in year		(535,611)	(1,438,732)
Loan Interest paid		(196,642)	(126,117)
Invoice discounting (repayment)/advance		577,473	79,397
Interest element of hire purchase payments paid		(51,641)	(53,965)
Capital repayments on hire purchase contracts		(926,777)	(1,038,008)
Amount introduced/(withdrawn) by directors		(3,678)	-
Other loan repayments in the year		-	(71,206)
Other loan interest		-	(1,100)
Equity dividends paid		(100,000)	(100,000)
Net cash from financing activities		(1,236,876)	(2,749,731)
(Decrease)/Increase in cash and cash equivalents		(342,863)	(1,878,621)
Cash and cash equivalents at beginning of year	2	1,002,657	2,881,278
Cash and cash equivalents at end of year	2	659,794	1,002,657

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2022**

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE INTEREST AND TAXATION TO CASH GENERATED FROM OPERATIONS

	31/12/22	31/12/21
	£	£
Profit before interest and taxation	46,479	1,267,388
Depreciation charges	1,071,801	974,457
Profit on disposal of fixed assets	(78,987)	(71,386)
Amortisation of goodwill and intangible assets	42,604	78,387
	<u>1,081,897</u>	<u>2,248,846</u>
Decrease/(Increase) in stocks	8,784	(38,964)
(Increase) in trade and other debtors	(68,223)	(797,159)
(Decrease) in trade and other creditors	(160,834)	(223,090)
Movement in provisions	(796)	(60,594)
	<u>860,828</u>	<u>1,129,039</u>
Cash generated from operations	860,828	1,129,039

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 31st December 2022

	31/12/22	1/1/22
	£	£
Cash and cash equivalents	659,794	1,002,657
Bank overdrafts	-	-
	<u>659,794</u>	<u>1,002,657</u>

Year ended 31st December 2021

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	1,002,657	2,881,278
Bank overdrafts	-	-
	<u>1,002,657</u>	<u>2,881,278</u>

3. MAJOR NON-CASH TRANSACTIONS

Fixed asset expenditure for the group of £703,825 (2021: £1,247,613) was funded by hire purchase.

4. CHANGES IN NET DEBT

	31/12/21	Cashflows	New finance agreements	31/12/22
	£	£	£	£
Cash & cash equivalents	1,002,657	(342,863)	-	659,794
Bank loans	(2,872,884)	535,611	-	(2,337,273)
Finance leases	(2,115,770)	926,777	(703,825)	(1,892,818)
Invoice discounting	(3,166,317)	(577,473)	-	(3,743,790)
	<u>(7,152,314)</u>	<u>542,052</u>	<u>(703,825)</u>	<u>(7,314,087)</u>

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST DECEMBER 2022**

1. GENERAL INFORMATION

T J Transport Group Holdings Limited is a private company limited by shares, domiciled and incorporated in England. The address of its registered office and the principal place of business is Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

The functional currency of the company and group is Sterling shown in the financial statements to the nearest one pound. The group consists of T J Transport Group Holdings Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Strategic Report.

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.

The Company has taken advantage of the exemption from disclosing the following information in its company only accounts, as permitted by the reduced disclosure regime within FRS 102:-

- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 11 'Basic Financial Instruments' & Section 12 'Other Financial Instrument Issues' – Carrying amounts for financial instruments measured at amortised cost or cost less impairment; interest income/expense and net gains/losses for financial instruments measured at amortised cost; loan defaults or breaches, and descriptions of hedging relationships.
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the period is disclosed on page 11.

Basis of consolidation

The consolidated financial statements incorporate those of T J Transport Group Holdings Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

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

The directors do not consider there to be any areas of significant estimation or judgement in the financial statements

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

2. ACCOUNTING POLICIES - continued

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of trade discounts and value added taxes. Landfill tax is included within both revenue and cost of sales. Revenue from the sale of goods is recognised when the goods are delivered and titles have passed. Revenue from the provision of services is recognised at the point when service has been provided.

Goodwill

Goodwill arising from the acquisition of a 100% interest in: T J Environmental Limited, T J Waste & Recycling Limited and Envirowaste (Southern) Limited is shown in the group balance sheet is being amortised over 20 years. Similarly the acquisition of the 100% interest by T J Waste & Recycling Limited in Dove Recycling Limited is being amortised over 20 years which the directors consider to be the expected useful life.

Goodwill in the connection with the acquisition of a business in 2004, and 2011 subsumed within TJ Waste & Recycling accounts is being amortised at 10% on cost which the directors consider to be the expected useful life.

Intangible assets - software

Intangible assets for software are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. The cost is amortised over a period of 5 years.

Investments

Investments in subsidiary companies are included in the company balance sheet at cost adjusted for any provision required for impairment in value.

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 finance lease, over the lease term, whichever is shorter. Tangible fixed assets are measured using the cost model. Previous revaluations undertaken on items of property, plant and equipment, were deemed as cost on transition to FRS102.

Long leasehold property	- 2% on cost to residual value
Plant and machinery	- 18% on reducing balance
Fixtures, fittings and equipment	- 22% on reducing balance
Motor vehicles	- 25% on reducing balance
Skips	- 18% on reducing balance
Site Development	- 20% on cost

Stocks

Stock is valued at the lower of cost and net realisable value. Included within stock are Site Accounts. This comprises of land held for redevelopment and development projects in progress are valued on the basis of direct costs. Provision is made for any foreseeable losses where appropriate. This also includes direct costs relating to identification and preparation of new waste management, recycling and mineral reserve sites. These costs are included within prepayments where it is reasonably certain that such sites will become fully operational.

Taxation

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

Current 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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

2. ACCOUNTING POLICIES - continued

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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Leases: Lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the income statement so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Leases: Lessor

Where assets are leased to a third party as operating leases their annual rentals are credited to profit or loss on a straight-line basis over the term of the lease.

Retirement benefits

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge represents the amounts payable by the group to the fund in respect of the year.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

2. ACCOUNTING POLICIES - continued

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Provisions, site obligations

Full provision is made for waste management and remediation obligations, in accordance with Financial Reporting Standard 102 Section 21.

Bank factored debtors

Factored debt advances in which full recourse lies with the lender is recognised as a liability and included in Creditors: amounts falling due within one year while the related receivables balances continue to be reported separately in trade debtors until the related account balances are collected.

Going Concern

At the time of approving the financial statements the Directors have considered the company's performance following the initial, and continuing, impacts of the pandemic as well as forecasts and projections for the group for the next 12 months from the date of this report.

Based on the available banking facilities and performance forecasts, the Directors have a reasonable expectation that the company will continue to generate and have access to sufficient liquid resources to continue in operational existence for the foreseeable future, and therefore have prepared these accounts on a going concern basis.

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

2. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

In 2022 the group did not receive a discretionary cash grant (2021: £81,751) from the government as part of the Coronavirus Job Retention Scheme (CJRS) which compensates employers for part of the wages, associated national insurance contributions (NICs) and employer pension contributions of employees who have been placed on furlough (i.e. placed on a temporary leave of absence from working for the employer). Grants are conditional upon the employees being employed and on the company PAYE payroll and the employee cannot do any work for their employer that makes money or provides services for their employer or any organisation linked or associated with their employer. There are no unfulfilled conditions or contingencies attached to the grant.

The group received a discretionary cash grant of £NIL (2021: £26,000) from the government as part of the Coronavirus Business Interruption Loan Scheme (CBILs) which compensates companies for the first years interest charge associated with the emergency loan funds. There are no unfulfilled conditions or contingencies attached to the grant.

3. TURNOVER

£26,370,342 (2021: £23,226,643) of turnover is attributable to the provision of transportation services in the UK. £14,818,261 (2021: £14,791,432) of turnover is attributable to the provision of waste management services in the UK.

4. EMPLOYEES AND DIRECTORS

	Group	
	31/12/22	31/12/21
	£	£
Wages and salaries	7,007,609	6,663,441
Social security costs	701,156	628,341
Other pensions	532,358	529,411
	<u>8,241,123</u>	<u>7,821,193</u>

The average monthly numbers of employees during the year was as follows:

Administration and sales	49	45
Drivers and site operatives	<u>169</u>	<u>164</u>
	<u>218</u>	<u>209</u>

	31/12/22	31/12/21
	£	£
Directors' remuneration	424,672	440,616
Directors' pension contributions to money purchase schemes	<u>126,335</u>	<u>193,893</u>

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

Money purchase schemes	<u>6</u>	<u>6</u>
Highest paid director	31/12/22	31/12/21
	£	£
Directors' remuneration	102,374	109,864
Directors' pension contributions to money purchase schemes	<u>47,375</u>	<u>85,847</u>

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

5. OPERATING PROFIT

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

	31/12/22	31/12/21
	£	£
Government Grants received	-	81,751
Amortisation of intangibles	29,431	33,370
Depreciation - owned assets	569,104	493,525
Depreciation - assets on hire purchase contracts	532,128	482,162
Profit on disposal of fixed assets	(78,987)	(71,386)
Goodwill amortisation	13,173	45,017
Auditors' remuneration	57,000	39,500
Research and development	623,760	934,946
Cost of stock recognised as an expense	3,285,913	2,504,171
Lease payments recognised as an expense	2,408,744	2,332,150

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31/12/22	31/12/21
	£	£
Bank loan interest	93,333	78,587
Sales ledger finance	103,308	47,530
Other interest	51,641	53,965
Hire purchase interest	-	1,100
	<u>248,282</u>	<u>181,182</u>

7. TAXATION

Analysis of the tax credit

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

	31/12/22	31/12/21
	£	£
Current tax:		
UK corporation tax	(150,537)	(200,077)
Adjustments in respect of previous period	<u>132,396</u>	<u>32,209</u>
Total current tax	(18,141)	(167,868)
Deferred tax:		
Timing differences, origination and reversal	(17,994)	265,549
Effect of changes in tax rate	(20,967)	165,383
Prior year adjustment	<u>(103,515)</u>	<u>(24,945)</u>
Total deferred tax	<u>(142,476)</u>	<u>405,987</u>
Tax on profit	<u>(160,617)</u>	<u>238,119</u>

Reconciliation of total tax credit included in profit and loss

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

	31/12/22	31/12/21
	£	£
(Loss)/Profit before tax	<u>(198,141)</u>	<u>1,086,265</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 – 19.00%)	(37,647)	206,391
Effects of:		
Expenses not taxable for tax purposes	7,659	21,153
Fixed Asset timing Differences	(41,189)	-
R & D tax credit	(107,350)	(165,904)
Changes in tax rates	(7,676)	165,383
Deferred tax not recognised	(3,131)	3,832
Adjustments to tax charge in respect of previous periods	<u>28,717</u>	<u>7,264</u>
Total tax credit	<u>(160,617)</u>	<u>238,119</u>

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

8. DIVIDENDS

	31/12/22	31/12/21
	£	£
Ordinary A shares of £1 each		
Interim	<u>100,000</u>	<u>100,000</u>

9. INTANGIBLE FIXED ASSETS
Group

	Goodwill	Intangibles -	Total
	£	software	£
	£	£	£
COST			
At 1st January 2022 & 31st December 2022	<u>496,871</u>	<u>214,875</u>	<u>711,746</u>
AMORTISATION			
At 1st January 2022	483,698	67,724	551,422
Amortisation for year	<u>13,173</u>	<u>29,431</u>	<u>42,604</u>
At 31st December 2022	<u>496,871</u>	<u>97,155</u>	<u>594,026</u>
NET BOOK VALUE			
At 31st December 2022	<u>-</u>	<u>117,720</u>	<u>117,720</u>
At 31st December 2021	<u>13,173</u>	<u>147,151</u>	<u>160,324</u>

10. TANGIBLE FIXED ASSETS

Group

	Freehold	Long	Skips	Plant and
	Land	Leasehold	£	Machinery
	£	£	£	£
COST				
At 1st January 2022	<u>4,232,004</u>	<u>3,638,833</u>	<u>1,172,637</u>	<u>4,571,687</u>
Additions	45,397	30,454	66,870	347,190
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(234,600)</u>
At 31st December 2022	<u>4,277,401</u>	<u>3,669,287</u>	<u>1,239,507</u>	<u>4,684,277</u>
DEPRECIATION				
At 1st January 2022	4,668	1,287,749	723,309	2,416,138
Charge for year	3,120	175,810	97,666	459,430
Eliminated on disposal	<u>-</u>	<u>-</u>	<u>-</u>	<u>(188,121)</u>
At 31st December 2022	<u>7,788</u>	<u>1,463,559</u>	<u>820,975</u>	<u>2,687,447</u>
NET BOOK VALUE				
At 31st December 2022	<u>4,269,613</u>	<u>2,205,728</u>	<u>418,532</u>	<u>1,996,830</u>
At 31st December 2021	<u>4,227,336</u>	<u>2,351,084</u>	<u>449,328</u>	<u>2,155,549</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022

10. TANGIBLE FIXED ASSETS - continued
Group

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st January 2022			
	60,364	3,906,799	17,582,324
Additions	1,196	556,128	1,047,235
Disposals	-	(1,203,938)	(1,438,538)
At 31st December 2022	61,560	3,258,989	17,191,021
DEPRECIATION			
At 1st January 2022	54,582	2,729,489	7,215,935
Charge for year	1,582	337,313	1,074,921
Eliminated on disposal	-	(956,405)	(1,144,526)
At 31st December 2022	56,164	2,110,397	7,146,330
NET BOOK VALUE			
At 31st December 2022	5,396	1,148,592	10,044,691
At 31st December 2021	5,782	1,177,310	10,366,389

The net book value of tangible fixed assets includes £2,245,302 (2021 - £2,469,697) in respect of assets held under hire purchase agreements.

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

11. FIXED ASSET INVESTMENTS

Company

COST

At 1st January 2022 and 31st December 2022

£
1,113,332

NET BOOK VALUE

At 31st December 2021 and 31st December 2022

1,113,332

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

T J Transport Limited

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Transport and haulage services to the construction industry

Class of shares: Ordinary % holding: 100.00

T J Waste & Recycling Limited

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Waste collection and recycling

Class of shares: Ordinary % holding: 100.00

T J Environmental Limited *

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Operation and development of landfill sites

Class of shares: Ordinary % holding: 100.00**

K & J waste management services limited ***

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Dormant

Class of shares: Ordinary % holding: 100.00

Envirowaste (Southern) Limited ***

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Dormant

Class of shares: Ordinary % holding: 100.00**

Dove Recycling Limited ***

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Dormant

Class of shares: Company Limited by guarantee % holding: 100.00**

Pink Skip Hire Limited ***

Registered office: Charity Farm, 127 Wickham Road, Fareham, Hampshire, PO17 5BP.

Nature of business: Dormant

Class of shares: Ordinary % holding: 100.00**

* Audit exemption has been claimed by virtue of s479A of the Companies Act.

** Indirect holding though intermediate parent.

*** Audit exemption has been claimed by virtue of s480 of the Companies Act.

All subsidiaries are consolidated within these group accounts.

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

12. STOCKS

	Group		Company	
	31/12/22	31/12/21	31/12/22	31/12/21
	£	£	£	£
Stocks	<u>83,482</u>	<u>92,267</u>	<u>-</u>	<u>-</u>

All stocks are raw materials and are pledged as security for liabilities.

13. DEBTORS

	Group		Company	
	31/12/22	31/12/21	31/12/22	31/12/21
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	4,636,466	4,339,076		-
Amounts owed by group undertakings	-	-	96,200	15,216
Directors' current accounts	6,780	3,099	-	-
Other debtors	3,062	3,062	-	-
Tax	330,256	308,927	-	-
Prepayments and accrued income	<u>1,201,112</u>	<u>1,394,780</u>	<u>-</u>	<u>-</u>
	<u>6,177,676</u>	<u>6,048,944</u>	<u>96,200</u>	<u>15,216</u>
Amounts falling due after more than one year:				
Prepayments	<u>1,105,407</u>	<u>1,140,908</u>	<u>-</u>	<u>-</u>
Aggregate amounts	<u>7,283,083</u>	<u>7,189,852</u>	<u>96,200</u>	<u>15,216</u>

The amount of group factored debts at 31st December 2022 are £4,085,991 (2021 - £3,471,763). The amount of company factored debts at 31st December 2021 are £nil (2021 - £nil).

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31/12/22	31/12/21	31/12/22	31/12/21
	£	£	£	£
Bank loans and overdrafts (see note 16)	372,543	409,939	-	-
Invoice discounting facility (see note 16)	3,743,790	3,166,317	-	-
Hire purchase contracts (see note 17)	740,920	840,653	-	-
Trade creditors	3,074,631	3,139,686	-	-
Social security and other taxes	637,683	543,461	100,154	96,285
Accrued expenses	<u>546,949</u>	<u>736,948</u>	<u>-</u>	<u>-</u>
	<u>9,116,516</u>	<u>8,837,004</u>	<u>100,154</u>	<u>96,285</u>

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

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

	Group		Company	
	31/12/22	31/12/21	31/12/22	31/12/21
	£	£	£	£
Bank loans (see note 16)	1,964,730	2,462,946	-	-
Hire purchase contracts (see note 17)	1,151,898	1,275,117	-	-
	<u>3,116,628</u>	<u>3,738,063</u>	<u>-</u>	<u>-</u>

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	31/12/22	31/12/21	31/12/22	31/12/21
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	372,543	409,939	-	-
Invoice discounting facility	3,743,790	3,166,317	-	-
	<u>4,116,333</u>	<u>3,576,256</u>	<u>-</u>	<u>-</u>
Amounts falling due between two and five years:				
Bank loans	1,017,795	1,397,247	-	-
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans	946,935	1,065,699	-	-

Included in Bank loans is an amount of £195,625 which is repayable in 60 monthly installments and carries interest at 1.7%.

The £1,500,000 bank loan entered into during 2017, which carries interest at 2.25% over the Bank of England base rate, is repayable over 168 monthly installments.

The £750,000 bank loan entered into during 2018 carries a fixed interest rate at 3.26% until January 2023. This is repayable over 180 monthly installments.

The £2,000,000 bank loan entered into during 2020 relating to a CBILs facility which is repayable over 60 months commencing from May 2021 and carries a fixed interest rate of 3.99%.

The notes form part of these financial statements

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

17. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	31/12/22	31/12/21
	£	£
Gross obligations repayable;		
Within one year	787,041	913,900
Between one and five years	1,174,070	1,282,933
	<u>1,961,111</u>	<u>2,196,833</u>
Finance charges repayable:	(68,293)	(81,063)
Carrying amount of liability:	<u>1,892,818</u>	<u>2,115,770</u>

	Non-cancellable operating leases			
	Group		Company	
	31/12/22	31/12/21	30/12/22	31/12/21
	£	£	£	£
Within one year	2,262,098	2,195,054	12,537	-
Between one and five years	4,049,237	2,716,164	29,252	-
In more than five years	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>-</u>
	<u>6,311,335</u>	<u>4,971,218</u>	<u>41,789</u>	<u>-</u>

Minimum lease receipts fall due as follows:

Group

	Non-cancellable operating leases	
	31/12/22	31/12/21
	£	£
Within one year	-	80,000
	<u>-</u>	<u>80,000</u>

The company has no non-cancellable operating leases as a lessor.

T J TRANSPORT GROUP HOLDINGS LIMITED (REGISTERED NUMBER: 12106975)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

18. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	31/12/22	31/12/21	30/12/22	31/12/21
	£	£	£	£
Bank loans	2,337,273	2,872,884	-	-
Invoice discounting facility	3,743,790	3,166,317	-	-
Hire purchase contracts	<u>1,892,818</u>	<u>2,115,770</u>	-	-
	<u>7,973,881</u>	<u>8,154,971</u>	-	-

The bank loans are secured by fixed and floating charges over the assets of the company.

Hire purchase balances are secured on the assets to which they relate.

Invoice discounting is secured over the trade debtors to which it relates.

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	31/12/22	31/12/21	31/12/22	31/12/21
	£	£	£	£
Deferred tax				
Accelerated capital allowances	786,735	710,390	-	-
Deferred tax on revaluation	325,759	341,447	-	-
Un-utilised losses carried forward	<u>(300,329)</u>	<u>(97,196)</u>	<u>(2,050)</u>	-
	<u>812,165</u>	<u>954,641</u>	<u>(2,050)</u>	-

	Group		Company	
	Provisions	Deferred tax	Provisions	Deferred tax
	£	£	£	£
Balance at 1st January 2022	16,348	954,641	-	-
Charged/(credit) to Statement of Comprehensive Income during year	<u>(796)</u>	<u>(142,476)</u>	-	<u>(2,050)</u>
Balance at 31st December 2022	<u>15,552</u>	<u>812,165</u>	-	<u>(2,050)</u>

No significant reversal of deferred tax liabilities is expected to occur in the foreseeable future.

At the balance sheet date there are unused tax losses of £1,201,316 (2021: £387,629) or the group.

Provisions relate to site clearance and restatement costs, these will reverse at the point the site is completed.

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

	Ordinary A Number	Ordinary A £1 each	Ordinary B Number	Ordinary B £1 each
As at 1 January 2022	80,128	80,128	20,032	20,032
As at 31 December 2022	<u>80,128</u>	<u>80,128</u>	<u>20,032</u>	<u>20,032</u>

Ordinary B shares do not confer voting rights.

Ordinary A and B shares do hold dividend rights but an award to both or only one class of share is at the discretion of the Ordinary A shareholders.

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2022**

21. RESERVES

The reserves of the Group represent the following:

Retained earnings

This represents cumulative profit and loss net of distribution to owners.

Share premium

Consideration received for shares issued above their nominal value, net of transaction costs.

Revaluation reserve

The cumulative revaluation gains and losses in respect of land and buildings, except revaluation gains and losses recognised in profit or loss. This reserve is not distributable.

Capital reserve

A reserve arising from negative goodwill occurring from a business acquisition.

The reserves of the Company represent the following:

Retained earnings

This represents cumulative profit and loss net of distribution to owners.

Share premium

Consideration received for shares issued above their nominal value, net of transaction costs.

22. CONTINGENT LIABILITIES

The group and company is party to a cross guarantee with HSBC Bank PLC, for the group this amounted to £1,677,476 (2021: £1,870,227) and given by the company amounted to £nil (2021: £nil).

There are certain finance agreements in the name of certain subcontract hauliers for which the group act as guarantor. The value of the guaranteed outstanding debt at the year end totalled £219,953.

23. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption available under section 33.1A of FRS 102 from disclosing transactions with other wholly owned companies within the T J Transport Group Holdings Limited group.

At the balance sheet date a director owed a company within the group £12,555 (2021: £8,706).

At the balance sheet date a director was owed by a company within the group £5,039 (2021: £5,039).

Shareholders of the company were owed £nil - (2021: £nil). Interest of £ nil (2021: £1,100) was charged in the year.

During the year, total dividends of £100,000 (2021: £100,000) were paid to certain directors. Key management personnel compensation totalled £551,007 (2021: £687,390), including employers NI of £53,791 (2021: £52,879)

Entities with control, joint control or significant influence over the entity

An amount of £nil (2021: £9,315) relating to a loan from the related party was repaid in the year.

24. CONTROLLING PARTY

The ultimate controlling party is T J Higgins.