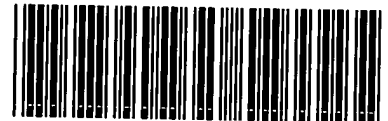


Company Registration No. 05640001 (England and Wales)

STANTON HOLDING LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2022

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STANTON HOLDING LIMITED

COMPANY INFORMATION

Directors	L Obraztsova S Fairburn
Secretary	Bury Company Services Limited
Company number	05640001
Registered office	80 Guildhall Street Bury St Edmunds Suffolk England IP33 1QB
Auditor	RSM UK Audit LLP Chartered Accountants Blenheim House Newmarket Road Bury St Edmunds Suffolk IP33 3SB

STANTON HOLDING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present the strategic report for the year ended 30 September 2022.

Fair review of the business and future outlook

Stanton Holding Limited is a parent company with the main trading subsidiary being Shelbourne Reynolds Engineering Limited. The principal activity of Shelbourne Reynolds Engineering Limited is the design, manufacture and sale of agricultural machinery.

During the financial year the directors continued their programme of investing in infrastructure improvements, plant, its people and environment. This investment continues with the emphasis to integrate modern manufacturing methods, training, technology to improve efficiency, output and carbon footprint.

Principal risks and uncertainties

The business is subject to a number of uncertainties and factors that could have an adverse effect on the group are identified as follows:

Grain stocks, prices, crop yields and global weather, particularly rainfall have a big impact upon farm profitability within the arable sector which in turn influences demand on our harvesting equipment. Current prices have fallen sharply from the record high prior to the 2022 harvest although the general trend is still up. Global wheat stocks remain stable. Notwithstanding global weather events the outlook for harvesting machinery remains positive.

Dairy and meat prices will affect demand for livestock products, milk prices rose steadily during 2022 in some cases more than compensating for increasing production costs, however the start of 2023 has seen the farm gate price weaken slightly and the likelihood of this trend continuing in 2023 will weaken confidence and decrease demand for the group's livestock products. This is mitigated by a strong carryover order book from 2022.

Foreign Currency risk

The group is exposed to foreign exchange risk as transactional currency exposure arises from sales and purchases in currencies other than sterling. As a result, the value of the business' non-sterling assets and liabilities and cashflows can be significantly affected by movements in exchange rates. This currency risk is managed by forecasting cash flow and entering into forward exchange contracts to mitigate the risk of currency fluctuations.

Credit risk

The principal risk lies with trade debtors. The group normally sells on deferred terms. Any risk that these terms are not honoured are minimised through rigorous credit control procedures. Deferred terms are only granted to customers based on a combination of third-party references and payment history which are reviewed on a regular basis customer by customer to ensure exposure to bad debt is minimised. The group also uses a leading credit insurance policy to insure against potential payment default.

Competitive trade risk

The group manages its competitive risk by continually developing its products, service response times and market prices. By working alongside our customers to ensure that we have listened to and met their needs and expectations and by building strong relationships with our customers.

Liquidity Risk

The group seeks to manage its financial risk by ensuring it maintains enough liquidity available to meet future needs and short-term flexibility.

Inflation and price rise

The directors have taken into consideration the effects of rising inflation and prices in the marketplace and the impact on the group. The directors will monitor and take necessary action if inflation continues to rise which will inevitably increase the cost of running the business. The directors will ensure that this will impact profit margins as minimally as possible.

STANTON HOLDING LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Key performance indicators

The directors consider the key performance indicators to be Turnover and Profit. These are monitored on a regular basis along with other operating information such as product margins, market trends, productivity and labour turnover.

KPI's used by the group during the year were as follows:

	2022	2021
Turnover	£36,926,174	£30,317,956
Operating profit	£12,640,284	£8,619,430
Net assets	£34,243,959	£26,340,429

In the year sales of products globally increased to £36.9m from £30.3m in 2021 and combined with a weaker pound saw operating profit rise from £8.6m to £12.6m.

The groups financial position remains strong, with net assets increasing during the year by £7.9m.

On behalf of the board



.....
S Fairburn

Director

Date: 07-Jun-2023
.....

STANTON HOLDING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

Principal activities

The group's principal activity during the year continued to be the manufacture and sale of agricultural machinery and parts. The company acts as a holding company.

The group operates from premises in Stanton, Suffolk and has a subsidiary, Shelbourne Reynolds Inc., which operates from premises in Colby, Kansas.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £2,500,000 (2021: £7,522,746).

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

A Kuznetsov

(Resigned 8 November 2021)

L Obratsova

S Fairburn

Qualifying third party indemnity provisions

The company 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.

Research and development

The group has a policy of continued development of its current products and also for the design and development of new products. These costs are charged to the profit and loss account and are disclosed in note 6.

Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Information in the Strategic Report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) 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. It has been done so in respect of the fair review of the business and future outlook and financial risk management and objectives and policies.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
S Fairburn

Director

Date: 07/06/23
.....

STANTON HOLDING LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, 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 company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANTON HOLDING LIMITED

Opinion

We have audited the financial statements of Stanton Holding Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the 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 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;
- ⌘ 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 our 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 STANTON HOLDING 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 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STANTON HOLDING LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the 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 and evaluation of computations provided by external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected any correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls, completeness of revenue and related party transactions within the company 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, evaluating the business rationale in relation to any significant, unusual transactions and any transactions entered into outside the normal course of business, performing tests of detail in relation to completeness of revenue and performing tests of detail in respect of related party transactions.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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.

Claire Sutherland

(Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Blenheim House

Newmarket Road

Bury St Edmunds

Suffolk, IP33 3SB

8 June 2023

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STANTON HOLDING LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	36,926,174	30,317,956
Cost of sales		(21,954,148)	(17,058,299)
Gross profit		14,972,026	13,259,657
Administrative expenses		(2,331,742)	(4,689,062)
Other operating income		-	48,835
Operating profit	6	12,640,284	8,619,430
Interest receivable and similar income	8	10,824	15,606
Interest payable and similar expenses	9	(1,851)	-
Fair value losses on foreign exchange contracts		(328,350)	-
Profit before taxation		12,320,907	8,635,036
Tax on profit	10	(2,352,182)	(1,732,920)
Profit for the financial year		9,968,725	6,902,116
Other comprehensive income net of taxation			
Currency translation differences		434,805	(918)
Total comprehensive income for the year		10,403,530	6,901,198

Profit for the financial year is all attributable to the owner of the parent company.

Total comprehensive income for the year is all attributable to the owner of the parent company.

STANTON HOLDING LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Goodwill	12		231,400		306,450
Tangible assets	13		3,308,701		3,432,795
			<u>3,540,101</u>		<u>3,739,245</u>
Current assets					
Stocks	16	8,281,858		6,304,548	
Debtors	17	8,658,090		5,201,763	
Cash at bank and in hand		20,113,921		18,785,038	
		<u>37,053,869</u>		<u>30,291,349</u>	
Creditors: amounts falling due within one year	18	(6,020,021)		(7,317,545)	
Net current assets			<u>31,033,848</u>		<u>22,973,804</u>
Total assets less current liabilities			<u>34,573,949</u>		<u>26,713,049</u>
Provisions for liabilities	20		(329,990)		(372,620)
Net assets			<u><u>34,243,959</u></u>		<u><u>26,340,429</u></u>
Capital and reserves					
Called up share capital	23		3,752,704		3,752,704
Profit and loss reserves	24		30,491,255		22,587,725
Total equity			<u><u>34,243,959</u></u>		<u><u>26,340,429</u></u>

The financial statements were approved by the board of directors and authorised for issue on 07-Jun-2023 and are signed on its behalf by:



.....
S Fairburn
Director

STANTON HOLDING LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		1		1
Investments	14		4,200,000		4,200,000
			<u>4,200,001</u>		<u>4,200,001</u>
Current assets					
Debtors	17	11,414		30,255	
Cash at bank and in hand		3,121,820		5,234,447	
		<u>3,133,234</u>		<u>5,264,702</u>	
Creditors: amounts falling due within one year	18	(3,407,210)		(5,509,353)	
Net current liabilities			<u>(273,976)</u>		<u>(244,651)</u>
Total assets less current liabilities			<u>3,926,025</u>		<u>3,955,350</u>
Capital and reserves					
Called up share capital	23	3,752,704		3,752,704	
Profit and loss reserves	24	173,321		202,646	
Total equity			<u>3,926,025</u>		<u>3,955,350</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 year was £2,470,675 (2021 - £7,445,640 profit).

The financial statements were approved by the board of directors and authorised for issue on 07-Jun-2023 and are signed on its behalf by:



.....
S Fairburn
Director

STANTON HOLDING LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 October 2020		3,752,704	23,209,273	26,961,977
Year ended 30 September 2021:				
Profit for the year		-	6,902,116	6,902,116
Other comprehensive income net of taxation:				
Currency translation differences		-	(918)	(918)
Total comprehensive income for the year		-	6,901,198	6,901,198
Dividends	11	-	(7,522,746)	(7,522,746)
Balance at 30 September 2021		3,752,704	22,587,725	26,340,429
Year ended 30 September 2022:				
Profit for the year		-	9,968,725	9,968,725
Other comprehensive income net of taxation:				
Currency translation differences		-	434,805	434,805
Total comprehensive income for the year		-	10,403,530	10,403,530
Dividends	11	-	(2,500,000)	(2,500,000)
Balance at 30 September 2022		3,752,704	30,491,255	34,243,959

STANTON HOLDING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 October 2020		3,752,704	279,752	4,032,456
Year ended 30 September 2021:				
Profit and total comprehensive income for the year		-	7,445,640	7,445,640
Dividends	11	-	(7,522,746)	(7,522,746)
Balance at 30 September 2021		3,752,704	202,646	3,955,350
Year ended 30 September 2022:				
Profit and total comprehensive income for the year		-	2,470,675	2,470,675
Dividends	11	-	(2,500,000)	(2,500,000)
Balance at 30 September 2022		3,752,704	173,321	3,926,025

STANTON HOLDING LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	25	6,927,370		14,242,558	
Interest paid		(1,851)		-	
Income taxes paid		(2,043,994)		(2,013,992)	
Net cash inflow from operating activities		4,881,525		12,228,566	
Investing activities					
Purchase of tangible fixed assets		(388,628)		(419,386)	
Proceeds on disposal of tangible fixed assets		750		39,621	
Other investments and loans made		-		(76,776)	
Interest received		10,824		15,606	
Net cash used in investing activities		(377,054)		(440,935)	
Financing activities					
Dividends paid to equity shareholders		(2,500,000)		(7,522,746)	
Net cash used in financing activities		(2,500,000)		(7,522,746)	
Net increase in cash and cash equivalents		2,004,471		4,264,885	
Cash and cash equivalents at beginning of year		18,785,038		14,673,181	
Effect of foreign exchange rates		(675,588)		(153,028)	
Cash and cash equivalents at end of year		20,113,921		18,785,038	

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies

Company information

Stanton Holding Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 80 Guildhall Street, Bury St Edmunds, Suffolk, England, IP33 1QB.

The group consists of Stanton Holding Limited and all of its subsidiaries.

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

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- ⌘ Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- ⌘ Section 33 'Related Party Disclosures' – Compensation for key management personnel.

Basis of consolidation

The consolidated financial statements incorporate those of Stanton Holding 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 30 September 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.

The cost of a business combination is the fair value at the acquisition date of the assets, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

Going concern

During the year and subsequent to the year end most of the manufacturing sector in the UK has had difficulties with supply of raw material, components, labour and price rises in energy and logistical costs. This was caused first by the Covid-19 pandemic and then the war in Ukraine. This disruption is continuing into 2023 and it looks very likely that a recovery in supply chain will be slower than we had all hoped for. The Group has performed financial modelling for the period ended 30 September 2024 and have considered the likely impacts of these factors on its forecast position and financial resilience. Whilst recognising the challenges this presents, the Group and Company has sufficient cash reserves and unencumbered assets. Having considered all of the factors noted above, the directors have not identified any material uncertainties in relation to going concern. They have a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future being at least 12 months from the date of approval of the financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Turnover

Turnover represents amounts received or receivable during the year for goods and services provided in the ordinary nature of the business, exclusive of value added tax.

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

Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Intangible fixed assets - goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values, except freehold land, evenly over their useful lives, except where stated, on the following bases:

Land and buildings freehold	over 40 years
Plant and machinery	over 5 to 8 years
Office equipment	over 3 to 10 years
Motor vehicles	over 3 to 5 years and 25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand.

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' 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.

Basic financial assets

Basic financial assets include trade and other debtors and cash and bank balances.

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, include trade and other creditors, amounts owed to group undertakings and accruals.

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Equity instruments

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

Derivatives

The group enters into foreign exchange forward contracts in order to manage its exposure to foreign exchange risk.

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

1 Accounting policies (Continued)

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxation profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which timing differences are expected to reverse, based on the tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provision is made for liabilities arising in respect of specific warranty claims.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Retirement benefits

The group makes contributions into individual personal pension schemes of certain employees and directors. The contributions to the schemes are charged to profit or loss in the period in which they become payable.

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1 Accounting policies (Continued)

Leases

Rentals payable under operating leases 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 leased asset are consumed.

Government grants

Income from government grants is presented within other operating income and relates to Coronavirus funding. 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.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecast consumer demand, the promotional, competitive and economic environment and inventory loss trends.

Warranty provisions

Provisions for warranty claims are calculated on an individual product line basis and recognised when the company becomes aware of a potential defect. The calculation requires judgements to be made, including a forecast of the number of products that are affected, the likelihood of claims being made and the costs associated with rectifying the defect.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Labour rates

Work in progress is sensitive to changes in the estimated general labour rate of the workforce. This labour rate is amended to reflect the effects of variations in the workforce, working hours, production costs and budgeted hours.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022 £	2021 £
Turnover analysed by class of business		
Turnover from principal activity	36,926,174	30,317,956

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

3 Turnover and other revenue (Continued)

	2022 £	2021 £
Other revenue		
Interest income	10,824	15,606
Grants received	-	48,835
	<u> </u>	<u> </u>

A geographical analysis of turnover has not been disclosed as, in the opinion of the directors, it would be seriously prejudicial to the company's interests.

4 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Office and management	51	49	2	2
Manufacturing	116	111	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	167	160	2	2
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	6,032,097	5,614,130	-	-
Social security costs	629,721	559,274	-	-
Pension costs	113,457	106,221	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	6,775,275	6,279,625	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	93,993	252,985
Company pension contributions to defined contribution schemes	110	-
	<u> </u>	<u> </u>
	94,103	252,985
	<u> </u>	<u> </u>

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

5 Directors' remuneration (Continued)

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	85,329	179,434

6 Operating profit

	2022	2021
	£	£

Operating profit for the year is stated after charging/(crediting):

Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(2,580,688)	27,731
Research and development costs	71,472	71,512
Government grants	-	(48,835)
Depreciation of owned tangible fixed assets	534,446	546,350
Profit on disposal of tangible fixed assets	(750)	(38,250)
Amortisation of intangible assets	75,050	75,050
Operating lease charges	87,017	68,189

7 Auditor's remuneration

	2022	2021
	£	£

Fees payable to the company's auditor and associates:

For audit services

Audit of the financial statements of the group and company	8,450	5,775
Audit of the financial statements of the company's subsidiaries	28,000	24,750
	36,450	30,525

8 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	17,837	5,891
Other interest income	(7,013)	9,715
Total income	10,824	15,606

9 Interest payable and similar expenses

	2022	2021
	£	£
Other interest	1,851	-

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

10 Taxation

	2022 £	2021 £
Current tax		
UK corporation tax on profits for the current period	2,065,615	1,456,558
Adjustments in respect of prior periods	(731)	3,962
Total UK current tax	2,064,884	1,460,520
Foreign current tax on profits for the current period	364,428	186,796
Total current tax	2,429,312	1,647,316
Deferred tax		
Origination and reversal of timing differences	(77,130)	6,967
Changes in tax rates	-	78,637
Total deferred tax	(77,130)	85,604
Total tax charge	2,352,182	1,732,920

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	12,320,907	8,635,036
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	2,340,972	1,640,657
Tax effect of expenses that are not deductible in determining taxable profit	12,374	2,511
Tax effect of income not taxable in determining taxable profit	-	14,635
Adjustments in respect of prior years	(731)	3,962
Depreciation on assets not qualifying for tax allowances	-	(6,002)
Research and development tax credit	(53,595)	(54,836)
Effect of overseas tax rates	-	51,826
Group income	-	57,180
Remeasurement of deferred tax for change in tax rates	(18,474)	22,987
Other movements	71,414	-
Movement in deferred tax not recognised	(153)	-
Fixed asset differences	375	-
Taxation charge	2,352,182	1,732,920

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

11 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Interim paid	2,500,000	7,522,746

12 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 October 2021 and 30 September 2022	1,500,996
Amortisation and impairment	
At 1 October 2021	1,194,546
Amortisation charged for the year	75,050
At 30 September 2022	1,269,596
Carrying amount	
At 30 September 2022	231,400
At 30 September 2021	306,450

The company had no intangible fixed assets at 30 September 2022 or 30 September 2021.

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

13 Tangible fixed assets

Group	Land and buildings freehold	Plant and machinery	Office equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 October 2021	2,406,374	5,161,354	491,908	363,531	8,423,167
Additions	-	373,968	14,660	-	388,628
Disposals	-	(6,794)	-	-	(6,794)
Exchange adjustments	-	23,984	6,012	52,588	82,584
At 30 September 2022	2,406,374	5,552,512	512,580	416,119	8,887,585
Depreciation and impairment					
At 1 October 2021	799,118	3,511,979	412,928	266,347	4,990,372
Depreciation charged in the year	50,650	403,581	40,432	39,783	534,446
Eliminated in respect of disposals	-	(6,794)	-	-	(6,794)
Exchange adjustments	-	12,914	5,431	42,515	60,860
At 30 September 2022	849,768	3,921,680	458,791	348,645	5,578,884
Carrying amount					
At 30 September 2022	1,556,606	1,630,832	53,789	67,474	3,308,701
At 30 September 2021	1,607,256	1,649,375	78,980	97,184	3,432,795
Company				Motor vehicles	
				£	
Cost					
At 1 October 2021 and 30 September 2022					11,400
Depreciation and impairment					
At 1 October 2021 and 30 September 2022					11,399
Carrying amount					
At 30 September 2022					1
At 30 September 2021					1

Freehold land and buildings includes £343,320 (2021: £343,320) of land which is not depreciated by the group.

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	4,200,000	4,200,000

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

14 Fixed asset investments (Continued)

Movements in fixed asset investments Company	Shares in group undertakings
	£
Cost	
At 1 October 2021 and 30 September 2022	4,200,000
Carrying amount	
At 30 September 2022	4,200,000
At 30 September 2021	4,200,000

15 Subsidiaries

Details of the company's subsidiaries at 30 September 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect	
Shelbourne Reynolds Engineering Limited	Shepherds Grove Industrial Estate, Stanton, Bury St Edmunds, Suffolk, IP31 2AR, UK	Manufacture and sale of agricultural machinery	Ordinary	100	-
Shelbourne Reynolds, Inc.	1250 South Country, Club Drive, Colby, Kansas, 67701, USA	Distribution, sale and servicing of agricultural machinery	Ordinary	-	100

16 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Raw materials and consumables	1,110,236	721,126	-	-
Work in progress	5,403,644	4,554,042	-	-
Finished goods and goods for resale	1,767,978	1,029,380	-	-
	<u>8,281,858</u>	<u>6,304,548</u>	<u>-</u>	<u>-</u>

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

17 Debtors

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	7,979,298	4,443,669	-	-
Corporation tax recoverable	109,350	419,412	4,041	22,882
Other debtors	336,960	130,958	7,373	7,373
Prepayments and accrued income	232,482	207,724	-	-
	<u>8,658,090</u>	<u>5,201,763</u>	<u>11,414</u>	<u>30,255</u>

18 Creditors: amounts falling due within one year

	Group 2022	2021	Company 2022	2021
Notes	£	£	£	£
Other borrowings	599,704	599,704	599,704	599,704
Trade creditors	1,822,578	1,535,066	-	-
Amounts owed to group undertakings	2,651,524	4,759,231	2,798,086	4,900,229
Corporation tax payable	75,256	-	-	-
Other taxation and social security	184,421	121,187	-	-
Derivative financial instruments	328,350	-	-	-
Other creditors	81,136	33,238	-	-
Accruals and deferred income	277,052	269,119	9,420	9,420
	<u>6,020,021</u>	<u>7,317,545</u>	<u>3,407,210</u>	<u>5,509,353</u>

19 Financial instruments

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Carrying amount of financial liabilities				
Measured at fair value through profit or loss				
- Foreign exchange forward contracts	<u>328,350</u>	<u>-</u>	<u>-</u>	<u>-</u>

20 Provisions for liabilities

	Group 2022	2021	Company 2022	2021
Notes	£	£	£	£
Warranty claims	72,500	38,000	-	-
Deferred tax liabilities	<u>257,490</u>	<u>334,620</u>	<u>-</u>	<u>-</u>
	<u>329,990</u>	<u>372,620</u>	<u>-</u>	<u>-</u>

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

20 Provisions for liabilities (Continued)

A provision of £72,500 (2021: £38,000) has been recognised for expected warranty claims on goods sold during the last 2 years. It is expected that most of this expenditure will be incurred in the next financial year.

The warranty provision represents the group's liability in respect warranties granted on products. The amount provided represents management's best estimate of the future cash outflows in respect of those products still within the warranty period at the year end. It is based on past experience and costs incurred which are monitored on a regular basis.

Movements on provisions apart from deferred tax liabilities:

Group	Warranty claims £
At 1 October 2021	38,000
Additional provisions in the year	72,500
Utilisation of provision	(38,000)
At 30 September 2022	<u>72,500</u>

21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities 2022 £	Liabilities 2021 £
Fixed asset timing differences	339,951	335,386
Short term timing differences	(82,461)	(766)
	<u>257,490</u>	<u>334,620</u>

The company has no deferred tax assets or liabilities.

Movements in the year:	Group 2022 £	Company 2022 £
Liability at 1 October 2021	334,620	-
Charge to profit or loss	(77,130)	-
Liability at 30 September 2022	<u>257,490</u>	<u>-</u>

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

22 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	113,457	106,221

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Contributions totalling £3,478 (2021: £3,061) were payable to the fund at the year end and are included in creditors.

23 Share capital

	2022	Group and Company		2021
	Number	2021	2022	2021
		Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary of £1 each	3,752,704	3,752,704	3,752,704	3,752,704

24 Reserves

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

25 Cash generated from group operations

	2022	2021
	£	£
Profit for the year after tax	9,968,725	6,902,116
Adjustments for:		
Taxation charged	2,352,182	1,732,920
Finance costs	1,851	-
Investment income	(10,824)	(15,606)
Gain on disposal of tangible fixed assets	(750)	(38,250)
Fair value loss on foreign exchange contracts	328,350	-
Amortisation and impairment of intangible assets	75,050	75,050
Depreciation and impairment of tangible fixed assets	534,446	546,350
Foreign exchange gains	1,088,669	123,999
Increase/(decrease) in provisions	34,500	(39,441)
Movements in working capital:		
Increase in stocks	(1,977,310)	(693,648)
(Increase)/decrease in debtors	(3,766,389)	300,362
(Decrease)/increase in creditors	(1,701,130)	5,348,706
Cash generated from operations	6,927,370	14,242,558

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

26 Analysis of changes in net funds - group

	1 October 2021 £	Cash flows £	Exchange rate movements £	30 September 2022 £
Cash at bank and in hand	18,785,038	2,004,471	(675,588)	20,113,921
Borrowings excluding overdrafts	(599,704)	-	-	(599,704)
	<u>18,185,334</u>	<u>2,004,471</u>	<u>(675,588)</u>	<u>19,514,217</u>

27 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	46,973	59,776	-	-
Between one and five years	6,417	24,197	-	-
	<u>53,390</u>	<u>83,973</u>	<u>-</u>	<u>-</u>

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel of the group is as follows.

	2022 £	2021 £
Aggregate compensation	<u>1,465,040</u>	<u>1,612,098</u>

Included in the above figures are employer's national insurance contributions of £143,957 (2021: £177,011).

STANTON HOLDING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

28 Related party transactions (Continued)

Transactions with related parties

During the year the group declared dividends of £2,375,000 (2021: £7,147,746) to PRP Limited, the ultimate parent company by virtue of owning 95% of the shares of the company, and £125,000 (2021: £375,000) to A Kuznetsov, a director and shareholder of the company. £2,375,000 (2021: £4,750,000) of the dividend declared to PRP Limited was retained within the company at the balance sheet date. Repayments totalling £4,482,707 (2021: £Nil) were made to PRP Limited during the year, leaving a balance due to PRP Limited at the year end of £2,642,293 (2021: £4,750,000).

At the year end £599,704 (2021: £599,704) was owed to L Obratsova and is included in creditors.

29 Controlling party

Throughout the year, the ultimate parent company was PRP Limited, a company incorporated in the Marshall Islands.

The ultimate controlling party is Daniel Greenberg, by virtue of being the ultimate beneficial owner of Apogee Asset Management Limited which is the sole trustee of the discretionary trust which holds the shares in the ultimate parent company, PRP Limited, a company incorporated in the Marshall Islands.

The consolidated financial statements of Stanton Holdings Limited can be obtained from Companies House, Cardiff.