

Company Registration No. 12349867 (England and Wales)

J BROS (INVESTMENTS) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023

J BROS (INVESTMENTS) LIMITED

COMPANY INFORMATION

Director	S R Sejpal
Company number	12349867
Registered office	The Hollies Chorleywood Road Rickmansworth WD3 4ER England
Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom

J BROS (INVESTMENTS) LIMITED

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J BROS (INVESTMENTS) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The director presents the strategic report for the year ended 30 April 2023.

Fair review of the business

The Company's principal activity is fuel retailing, although it also drives profit from convenience stores and renting ancillary properties to tenants. The Company owns 14 petrol filling stations branded Texaco, BP, and Shell & Jet.

Performance in the reporting period has been relatively strong and there has been a minimal change in the number of competitors in the market and consumer demand for fuel has remained stable. The margins on fuel have been good most of the trading period.

Company Objectives and Business Model

The Company's purpose is to provide its customers with a high-quality fuel and retail offer on the forecourt, this is achieved through collaborating with the premium fuel brands and shop suppliers.

The Company recognises that customers buying habits are changing with convenience at the forefront of consumers' minds. The Company is ideally placed to serve this demand with its network of sites and recognisable brands.

The Company primarily operates through a long established and successful Company owned agent (or retailer) operated model, where the Company retain the rights and responsibilities of business owner, while effectively sub-contracting the site operation to the retailer or operator.

The retailer is remunerated on a commission structure where they are incentivised to deliver a quality proposition and maximise the returns on site. The partnership with the retailers is flexible and collaborative, with the parties working together to maintain the sites to required standards, ensuring customer retention, this is of particular importance in residential locations.

Several themes have emerged during the continuing consolidation and modernisation of the UK fuel retailing industry -

- Strong fuel brands: Continue to pull consumers onto site, reflecting heavy investment in promotions and branding.
- Competitive pricing: Most consumers are willing to shop around for the lowest price per litre in the local area, to enhance margins fuel retailers introduce POS marketing to induce trading up to premium fuels.
- Non-fuel offer: The convenience food and food to go offer is a major draw for customers whether purchasing fuel or not. Ranges tailored around specific shopping missions help to raise sales density.
- Convenient locations: The characteristics of a "prime site" for fuel retail varies by type of location (e.g. urban residential, urban transient, trunk road transient, urban commercial, rural transient and rural local) but is mainly dependent on local population, demographics, traffic flow and ease of access and egress.

Financial Review

Trading conditions during the reporting year were favourable and the Company delivered strong financial performance. Revenues were £32,574,293 (2022: £21,531,546), operating profit was £1,918,235 (2022: £1,065,715) and profit after tax was £628,161 (2022: £715,450).

Strategy

The Company continues to work towards our strategic goals by improving our customer value proposition, enabling and empowering our Site Operators to achieve these strategic goals. We recognize the growth potential of our Shop offer and are having discussions with the likes of Deliveroo, Just Eat, Uber Eats so as they can help in this growth.

The Company's overriding strategy is to continue to provide the consumer with a premium fuel and retail offer. The Company will invest in sites to generate strong returns and continue to enhance profitability for shareholders.

The acquisition strategy is to look for opportunities to add quality sites to the portfolio that complement the existing network and enable the Company to benefit from further economies of scale.

J BROS (INVESTMENTS) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

Financial, Liquidity, Cash Flow and Credit Risks

The Company monitors cash balances and cash flows as part of its day-to-day control procedures. The director considers all aspects of liquidity, cash and cash flows on a weekly and monthly basis to ensure that appropriate investment decisions are made. Similarly, the Director has throughout the course of this financial period ensured that the Company has retained substantial cash balances.

The Company's principal financial assets are cash and cash in transit. The Director considers there to be a negligible credit risk in respect of the cash balances on the basis that they are held at a reputable financial institution.

Security, Safety, Health and Environmental Risk ("SSHE")

The Company places great importance and focus upon the safety and health of its customers, its employees and all others whom may be affected by its business activities.

Environmental awareness in respect of the storage, handling, sale and distribution of petroleum products has a high profile within the Company and the Director is aware of the environmental contamination risks arising from these activities.

The Director is of the opinion that this focus on SSHE matters is an important factor in the mitigation of SSHE risk and that there is a low risk of SSHE matters having a material impact on the financial results and position of the Company.

Product, Price and Volatility Risk

The Director recognises that the Company's input prices are influenced by movements on global prices for crude oil and wholesale refined products. To manage the volatility, risk the Director monitors input prices daily and competitor retail prices, stocks are monitored by a specialist 3rd party operation. (Edge)

Electric Vehicles and EV Charging Stations

A key strategy which is under constant review is the development of our EV offering across our portfolio in readiness of the Government 2030 target. We can confirm that an agreement in principle has been signed with a couple of the providers to roll out EV Stations at least 9 of our locations to start with. Further more we have spoken to several suppliers and have commissioned one of these to do a FULL review of the Company network and report on potential charging points installation. A significant investment program is planned over the next 4-5 years for more Ultra-Rapid EV Charging points. This will be line with the Government's decarbonization and sustainability agenda.

Our Operating /Employee Partners

We believe that people make the difference. We treat one another with respect and dignity. Individuals at all levels of the business feel valued and valuable. We provide ample opportunities for professional growth and development. We are an equal opportunity employer.

Customers

Key Interests

- Convenience
- Safety
- Fair pricing policies
- Customer Service

Methods of Engagement

- Promotional activity

J BROS (INVESTMENTS) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

Contract Agents

Key Interests

- Training
- Site development
- Support and guidance

Methods of Engagement

- Operational support provided by Area Managers
- Training and assistance for individuals and their business
- Clear operating model generates clear benefits to both parties
- Payment term compliance

Future Developments

The Company continues to seek further strategic locations and is at present in advanced negotiations with several dealers.

The director is confident in projecting a robust trading performance for the coming year and are also positive on the acquisition front.

The Company's performance improved during the current year.

	Year ended 30 April 2023	Year ended 30 April 2022
Gross profit margin	8.90	8.32
Earnings before interest, tax, depreciation and amortisation	2,520,450	1,389,711

On behalf of the board

S R Sejpal
Director
31 January 2024

J BROS (INVESTMENTS) LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The director presents his annual report and financial statements for the year ended 30 April 2023.

Principal activities

The principal activity of the company continued to be that of the ownership and management of commission operated fuel stations.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Director

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

S R Sejpal

Post reporting date events

On 2 May 2023 the company completed on the acquisition of a filling station, for consideration of £4,475,000.

Auditor

The auditor, HW Fisher LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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 R Sejpal

Director

31 January 2024

J BROS (INVESTMENTS) LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2023

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

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

J BROS (INVESTMENTS) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF J BROS (INVESTMENTS) LIMITED

Opinion

We have audited the financial statements of J Bros (Investments) Limited (the 'company') for the year ended 30 April 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 company's affairs as at 30 April 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the director 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 director is 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

J BROS (INVESTMENTS) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF J BROS (INVESTMENTS) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the director's report.

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

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

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management concerning the systems and controls the company has in place, and the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The company did not inform us of any known, suspected or alleged fraud;
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102, Companies Act 2006, health and safety, site maintenance and compliance and Dangerous Substances and Explosive Atmospheres Regulations 2002;
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly;
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

J BROS (INVESTMENTS) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF J BROS (INVESTMENTS) LIMITED

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual;
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied;
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to valuation of freehold property, the apportionment of the land element of freehold property, recoverability of amounts due from group undertakings and valuation of unlisted investments;
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations;
- Testing key revenue lines, in particular cut-off, for evidence of management bias;
- Confirming the existence of key assets and stock balances;
- Obtaining third-party confirmation of material bank and loan balances;
- Documenting and verifying all significant related party balances and transactions.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the director

A further description of our responsibilities is available 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 him 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.

Darshna Choudhury (Senior Statutory Auditor)

For and on behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

31 January 2024

J BROS (INVESTMENTS) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £	2022 £
Turnover	3	32,574,293	21,531,546
Cost of sales		(29,675,578)	(19,739,975)
Gross profit		2,898,715	1,791,571
Administrative expenses		(1,327,694)	(869,281)
Other operating income		347,214	143,425
Operating profit	4	1,918,235	1,065,715
Interest receivable and similar income	6	53,182	154,134
Interest payable and similar expenses	7	(813,735)	(268,847)
Profit before taxation		1,157,682	951,002
Tax on profit	8	(529,521)	(235,552)
Profit for the financial year		628,161	715,450
Other comprehensive income			
Revaluation of tangible fixed assets		-	2,266,947
Tax relating to other comprehensive income		-	(1,678,325)
Total comprehensive income for the year		628,161	1,304,072

The profit and loss account has been prepared on the basis that all operations are continuing operations.

J BROS (INVESTMENTS) LIMITED

BALANCE SHEET

AS AT 30 APRIL 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9		36,361,735		27,419,006
Investments	10		5,531,683		5,531,683
			<u>41,893,418</u>		<u>32,950,689</u>
Current assets					
Stocks	12	795,887		734,083	
Debtors	13	7,049,215		1,529,781	
Cash at bank and in hand		463,260		627,719	
		<u>8,308,362</u>		<u>2,891,583</u>	
Creditors: amounts falling due within one year	14	(14,361,429)		(7,919,106)	
Net current liabilities			<u>(6,053,067)</u>		<u>(5,027,523)</u>
Total assets less current liabilities			35,840,351		27,923,166
Creditors: amounts falling due after more than one year	15		(23,144,419)		(16,055,848)
Provisions for liabilities					
Deferred tax liability	17	2,148,592		1,948,139	
		<u>(2,148,592)</u>		<u>(1,948,139)</u>	
Net assets			<u>10,547,340</u>		<u>9,919,179</u>
Capital and reserves					
Called up share capital	18		3		3
Share premium account			7,443,129		7,443,129
Revaluation reserve			2,292,562		2,402,127
Profit and loss reserves			811,646		73,920
Total equity			<u>10,547,340</u>		<u>9,919,179</u>

The financial statements were approved and signed by the director and authorised for issue on 31 January 2024

S R Sejpal
Director

Company Registration No. 12349867

J BROS (INVESTMENTS) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2023

		Share capital	Share premium account	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£	£
Balance at 1 May 2021		1	-	1,051,314	120,661	1,171,976
Year ended 30 April 2022:						
Profit for the year		-	-	-	715,450	715,450
Other comprehensive income:						
Revaluation of tangible fixed assets		-	-	2,266,947	-	2,266,947
Tax relating to other comprehensive income		-	-	(737,952)	(940,373)	(1,678,325)
Total comprehensive income for the year		-	-	1,528,995	(224,923)	1,304,072
Issue of share capital	18	2	7,443,129	-	-	7,443,131
Transfers		-	-	(178,182)	178,182	-
Balance at 30 April 2022		3	7,443,129	2,402,127	73,920	9,919,179
Year ended 30 April 2023:						
Profit and total comprehensive income for the year		-	-	-	628,161	628,161
Transfers		-	-	(109,565)	109,565	-
Balance at 30 April 2023		3	7,443,129	2,292,562	811,646	10,547,340

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

Company information

J Bros (Investments) Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Hollies, Chorleywood Road, Rickmansworth, England, WD3 4ER.

1.1 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, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

This 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:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues';
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

J Bros (Investments) Limited is a wholly owned subsidiary of Platinum Retail Limited and the results of J Bros (Investments) Limited are included in the consolidated financial statements of Platinum Retail Limited which are publicly available from Companies House.

1.2 Going concern

The company has net current liabilities of £6,053,067 after taking into account an amount included in creditors of £9,668,724 owed to its ultimate parent undertaking. The company additionally has £24,464,552 owing in bank loans, which are payable by instalments with a term of 5 years. The ultimate parent undertaking has confirmed that they will continue to provide financial support to the company for as long as this is necessary which will allow the entity to meet loan repayments laid out by lenders.

Despite economic factors, the company has been able to trade and remains profitable post year end. The company is forecasting profits moving forwards, even taking into account rising costs. Accordingly, at the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future, with the continued support from the ultimate parent company and external finance. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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.

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies (Continued)

1.4 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% on cost
Plant and equipment	20% reducing balance

Freehold land is not depreciated

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.

An annual transfer is made between the revaluation reserve and profit and loss reserve representing the excess depreciation arriving on revalued assets.

1.5 Fixed asset investments

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.

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.7 Stocks

The stock figure per the accounts is comprised of wet stock, i.e. fuel.

Wet stock is valued at the most recent purchase cost, based on prevailing fuel prices at the year end.

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.

1.8 Financial instruments

The company 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 in the company's balance sheet when the company 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.

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

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 company 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 creditors, bank loans and amounts due 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the director is 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. Estimates in the accounts includes depreciation and valuation of land and buildings, which are based on the valuation completed by an independent third party prior to the acquisition from the parent company.

Critical judgements

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

Valuation of investments

At the end of each financial year, the directors assess investments in subsidiaries for any indicators of impairment. The directors believe that there are no indicators of impairment as the subsidiaries continue to trade profitably and have a net asset position at the year end.

Recoverability of intercompany debtors

Amounts owed from the group are assessed for the recoverability of the balance. The directors believe this balance to be recoverable due to subsidiary undertakings remaining to trade profitably and having a net asset position at the year end.

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Judgements and key sources of estimation uncertainty

(Continued)

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.

Depreciation on freehold buildings

The company recognises depreciation at 2% straight line on its freehold building. The land value attributed to the company's land and building has been estimated at 10%, therefore depreciation is only charged on the remaining 90% which is the estimated cost of the building. This estimate is based on the expected value of the land element of the property based on the remedial work required and restrictions on development meaning the inherent value is significantly less than that of the building

Valuation of properties

The properties held within tangible fixed assets did not have any external valuation in the year and was valued using the director's valuation on the same basis as the independent valuation completed on group properties in previous years. The director's valuation is based upon a EBITDA multiple method, supplemented by the director's industry experience and economic factors.

Deferred tax

Deferred tax is calculated at the expected future tax rate. Tax rates are subject to change and thus this estimate is subject to change in future periods.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by class of business		
Sale of fuel	32,574,293	21,531,546
	<u> </u>	<u> </u>
	2023	2022
	£	£
Other significant revenue		
Interest income	53,182	-
Commissions received	315,912	124,558
	<u> </u>	<u> </u>
	2023	2022
	£	£
Turnover analysed by geographical market		
United Kingdom	32,574,293	21,531,546
	<u> </u>	<u> </u>

4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	10,339	10,288
Depreciation of owned tangible fixed assets	602,215	323,996
	<u> </u>	<u> </u>

5 Employees

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

5 Employees (Continued)

There were no employees during this year or the previous year.

6 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Other interest income	53,182	-
Income from fixed asset investments		
Income from other fixed asset investments	-	154,134
Total income	<u>53,182</u>	<u>154,134</u>

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	<u>813,735</u>	<u>268,847</u>

8 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	<u>329,068</u>	<u>196,042</u>
Deferred tax		
Origination and reversal of timing differences	<u>200,453</u>	<u>39,510</u>
Total tax charge	<u>529,521</u>	<u>235,552</u>

From 1 April 2023 there is no longer a single Corporation Tax rate for non-ring fence profits. Companies with profits between £50,000 and £250,000 will pay tax at the main rate, reduced by a marginal relief.

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

8 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	1,157,682	951,002
Expected tax charge based on the standard rate of corporation tax in the UK of 19.49% (2022: 19.00%)	225,632	180,690
Tax effect of expenses that are not deductible in determining taxable profit	3,247	(34,258)
Permanent capital allowances in excess of depreciation	(1,021)	(9,254)
Depreciation on assets not qualifying for tax allowances	101,157	58,864
Fixed asset timing differences	200,453	39,510
Capital gain differences	53	-
Taxation charge for the year	529,521	235,552

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	2022 £
Deferred tax arising on:		
Revaluation of property	-	737,952
Actuarial differences recognised as other comprehensive income	-	940,373
	-	1,678,325

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

9 Tangible fixed assets

	Freehold property	Plant and equipment	Total
	£	£	£
Cost or valuation			
At 1 May 2022	27,100,347	334,718	27,435,065
Additions	9,472,168	72,776	9,544,944
At 30 April 2023	36,572,515	407,494	36,980,009
Depreciation and impairment			
At 1 May 2022	-	16,059	16,059
Depreciation charged in the year	519,019	83,196	602,215
At 30 April 2023	519,019	99,255	618,274
Carrying amount			
At 30 April 2023	36,053,496	308,239	36,361,735
At 30 April 2022	27,100,347	318,659	27,419,006

The carrying value of land and buildings comprises:

	2023	2022
	£	£
Freehold	36,053,496	27,100,347

The freehold properties were valued by the director at 30 April 2023 on the same basis as historic, independent valuations using the EBITDA multiple method, supplemented by the director's industry experience and economic factors. The director believes that there is no amendment to the value of the properties this year.

Land and buildings are carried at valuation. If land and buildings were measured using the cost model, the carrying amounts would have been approximately £32,797,318 (2022: £23,734,603), being cost £33,427,670 (2022: £23,955,502) and depreciation £630,352 (2022: £220,898).

10 Fixed asset investments

	Notes	2023	2022
		£	£
Investments in subsidiaries	11	5,531,683	5,531,683

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

10 Fixed asset investments (Continued)

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 May 2022 & 30 April 2023	5,531,683
Carrying amount	
At 30 April 2023	5,531,683
At 30 April 2022	5,531,683

11 Subsidiaries

Details of the company's subsidiaries at 30 April 2023 are as follows:

Name of undertaking	Address	Nature of business	Class of shares held	% Held Direct
Linwick Limited	1	Petrol Station	Ordinary	100
R. O'Leary Limited	1	Petrol Station	Ordinary	100
Lockwood Filling Station Limited	1	In liquidation	Ordinary	100
Dove Retail Limited	1	Petrol Station	Ordinary	100

Registered office addresses (all UK unless otherwise indicated):

- 1 The Hollies, Chorleywood Road, Rickmansworth, WD3 4ER, England

The trade and assets of Lockwood Filling Station Limited were hived up into J Bros (Investments) Limited following the acquisition of the company in the prior year. Lockwood Filling Station Limited has remained dormant following the hive up and is currently in liquidation.

12 Stocks

	2023 £	2022 £
Goods for resale	795,887	734,083

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	903,580	548,574
Amounts owed by group undertakings	334,289	817,805
Other debtors	5,747,611	97,382
Prepayments and accrued income	63,735	66,020
	7,049,215	1,529,781

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

13 Debtors (Continued)

Included within other debtors are loans of £500,000 (2022: £nil) made to an unconnected third party. The loans are due to be repaid in September 2023 and are accruing interest at 1.5% per month. Accrued interest on the balance as at 30 April 2023 is £30,682 (2022: £nil).

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans	16	1,320,133	924,602
Trade creditors		2,208,741	1,442,378
Amounts owed to group undertakings		9,668,724	4,916,858
Corporation tax		414,507	196,042
Other taxation and social security		46,317	45,405
Other creditors		675,832	361,409
Accruals and deferred income		27,175	32,412
		<u>14,361,429</u>	<u>7,919,106</u>

15 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	16	<u>23,144,419</u>	<u>16,055,848</u>

16 Loans and overdrafts

	2023 £	2022 £
Bank loans	<u>24,464,552</u>	<u>16,980,450</u>
Payable within one year	1,320,133	924,602
Payable after one year	<u>23,144,419</u>	<u>16,055,848</u>

The company has three bank loans, two of which bear interest at 2.65% per annum plus base rate and one which bears interest at 2.05% per annum plus base rate. All three loans have a repayment term of five years, repayable in monthly or quarterly instalments, comprising both capital and interest.

The bank loans are secured by a first legal charge over the company's freehold property, a fixed and floating charge over the assets of the company and a composite guarantee between the company and its subsidiary undertakings.

The director has provided a personal guarantee of £1million and there is a cross guarantee in place between J Bros (Investments) Limited and its subsidiaries, Linvick Limited and R. O'Leary Limited.

J BROS (INVESTMENTS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Revaluations	2,106,455	1,903,989
Accelerated capital allowances	42,137	44,150
	<u>2,148,592</u>	<u>1,948,139</u>
Movements in the year:		2023 £
Liability at 1 May 2022		1,948,139
Charge to profit or loss		200,453
Liability at 30 April 2023		<u>2,148,592</u>

18 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	3	3	3	3

19 Events after the reporting date

On 2 May 2023 the company completed on the acquisition of a filling station, for consideration of £4,475,000.

20 Ultimate controlling party

The ultimate parent undertaking is Platinum Retail Limited, a company incorporated in the United Kingdom, whose registered office address is The Hollies, Chorleywood Road, Rickmansworth, Hertfordshire, WD3 4ER.

The results of the company are included in the consolidated accounts of Platinum Retail Limited, which are publicly available from Companies House.

The ultimate controlling party is S R Sejjal.

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