

WITHERBY INVESTMENTS LIMITED
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

THURSDAY



ACWWT7GW

A4

15/02/2024

#43

COMPANIES HOUSE

WITHERBY INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	I G Macneil K Heathcote D C W Balston A S Collins J F D Machtelinckx D G Lynch
Secretary	Morton Fraser Secretaries Limited
Company number	SC410298
Registered office	27 Stafford Street Edinburgh United Kingdom EH3 7BJ
Auditor	Johnston Carmichael LLP 7-11 Melville Street EDINBURGH EH3 7PE

WITHERBY INVESTMENTS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Directors' responsibilities statement	5
Independent auditor's report	6 - 8
Group statement of comprehensive income	9
Group balance sheet	10
Company balance sheet	11
Group statement of changes in equity	12
Company statement of changes in equity	13
Group statement of cash flows	14
Notes to the financial statements	15 - 32

WITHERBY INVESTMENTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present the strategic report for the year ended 31 May 2023.

The principal activity of the group is that of publishing of operational guidance and technical standards for the shipping industry. In circumstances where guidance is not already published on behalf of a client industry trade association, this work is often developed in-house using subject matter experts or in conjunction with the most appropriate industry or national/international body or organisation.

Fair review of the business

Upon return to office based working in March 2022 after the Covid restrictions, a trial of a 4 day working week was adopted. The 4 day working week continues to be reviewed at regular intervals to ensure this meets the needs of the business and ensure there is no slippage in product delivery and staff working smarter to ensure their previous 5 day working week was accommodated within a 4 day week.

The Gross Profit for the year was £6,619,188 (2022: Gross Profit £7,312,949). The profit after tax for the year was £104,146 (2022: loss after tax £181,457) and shareholders' funds stood at £6,975,991 (2022: £7,593,845).

The company remains in a strong position for the future.

Principal risks and uncertainties

Energy supplies - the business secured its gas supplies for office and warehouse heating in Spring 2021 and these prices were locked-in until Sep 2025.

Inflation - 2023 sees the UK experiencing high inflation rates of c.a. 6-7%. The main impact will be on the cost of paper purchased. This price will be taken into account in determining the RRP of publications and where required for large print runs, paper stocks are being secured ~4 months before they are required.

Currency risk - 2023 has seen the UK experience rapid changes in the exchange rate of the £GBP against the \$USD and the €Euro. While 73% of sales occur outside the UK, all sales are made in £GBP.

Interest rates - The business has no debt and no plans for financing.

Monitoring recruitment issues in the UK – The business has experienced recruitment issues in various positions across 2022-23 and, where necessary, consider strengthening the staffing of our India office in support of the UK office.

Future developments

The business continues to focus on fully commercialising Witherby Connect, its hybrid browser based eBook software. The current area of focus is aggressively marketing and pricing of our digital and regulatory maritime 'Flag State' regulatory products to become the dominant global product.

Development work in navigational publishing continues to focus on expanding the range of the company's Passage Planning Guides for shipping, with Suez Canal and Turkish Straits being added to this suite of Passage Planning Guides in 2023-24. The guides are based on the CEO's direct observations onboard ship and implement new focused content that expands the use of these guides from the navigation related elements for the ship's officers to the business and commercial aspects for the ship's Master. In support of the mapping/hydrographic needs based on the expanding portfolio of passage guides, the business is strengthening and expanding its Geographic Information Systems team to meet the needs of the business.

While the company's current Research Vessel has assisted with the technical review of these Guides in waters closer to the UK such as in The Baltic Sea, a larger Research Vessel is required for ocean routes and to support the ongoing review work around the world. Based on the product and business development achieved using the company's initial research vessel purchased 2020 (24m, 156 Tons), the business is actively seeking a larger research vessel of 40-50m in length and 500 Tons. The research vessel will fully support the company's global portfolio of guides and publications, while maintaining the validity of the marine certification (unlimited) that the CEO possesses.

WITHERBY INVESTMENTS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Future developments (continued)

Research and development continues to focus on security issues affecting merchant shipping, taking into account the substantial experience and insights gained by the CEO across 2021-23 onboard ship with a new Guide on 'Piracy, Armed Robbery and Conflict at Sea' being published together with the International Chamber of Shipping in Dec 2023 and a new guide on 'Stowaways, Refugees and Marine Immigrants' in preparation for 2024. Both guides lean extensively on the CEO's first hand experiences across 2021-23 onboard ship.

Opportunities continue to be explored in environmental and regulator products, building on the ballast water and biofouling observations made onboard the company's research vessel.

The ongoing update and new product development continues to benefit from work conducted by the CEO onboard the company's research vessel, ASTRA, and product propositions and a pipeline of potential product ideas from these voyages continue to be assessed.

Revision and update of the company's portfolio of marine Certificates of Competency titles is underway, building on the CEO's substantial sea-time achieved since 2020 and his recent experience of the marine certification revalidation process and its impact on our product range and expanding that portfolio of products to future users.

The business continues to look for opportunities for acquisition or partnership, particularly in areas that complement our product portfolio or utilise our data assimilation skills.

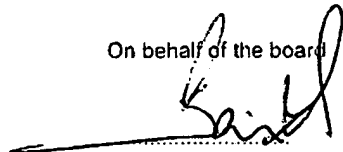
Key performance indicators

Key performance indicators for the group are considered by the Directors to be profitability, capital position and charitable giving. It should be noted that charitable giving in the forthcoming year is expected to remain at a similar level to charitable giving over the last three years at approximately £150,000.

Post reporting date events

There have been no significant events affecting the Group since the year end.

On behalf of the board



I G Macneil
Director

Date: 31/12/2023

WITHERBY INVESTMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present their annual report and financial statements for the year ended 31 May 2023.

Principal activities

The principal activity of the parent company is to provide management advice and support to its subsidiaries.

The principal activity of the group is that of the publishing of operational guidance and technical standards for the shipping industry. In circumstances where guidance is not already published on behalf of a client industry trade association, this work is often developed in-house using subject matter experts or in conjunction with the most appropriate industry or national/international body or organisation.

Results and dividends

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

Ordinary dividends were paid amounting to £722,000. The directors do not recommend payment of a further dividend.

Directors

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

I G Macneil
K Heathcote
D C W Balston
A S Collins
E M Young
J F D Machtelinckx
D G Lynch

(Appointed 23 June 2022 and resigned 9 March 2023)

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.

Auditor

Johnston Carmichael LLP were appointed as auditor to the group during the year and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Matters addressed in the strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company'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 done so in respect of the fair review of future developments and post reporting date events where applicable.

Statement of disclosure to auditor

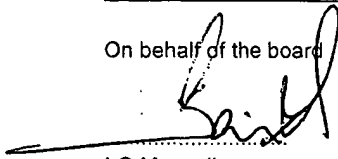
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

WITHERBY INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

On behalf of the board



I G Macneil
Director

Date: 31/12/2023

WITHERBY INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2023

The directors are responsible for preparing the Annual 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.

WITHERBY INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF WITHERBY INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Witherby Investments Limited (the 'parent company') and its subsidiary (the 'group') for the year ended 31 May 2023 which comprise the Group Profit and Loss Account, the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Changes in Equity, the Company Statement of Changes in Equity, the Group 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 May 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

WITHERBY INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WITHERBY INVESTMENTS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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, 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 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 company or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

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

Extent to which the audit is considered capable of detecting irregularities, including fraud

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.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and parent company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK GAAP
- Companies Act 2006
- Corporation Tax legislation
- VAT legislation
- Employment legislation

WITHERBY INVESTMENTS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF WITHERBY INVESTMENTS LIMITED

Extent to which the audit is considered capable of detecting irregularities, including fraud (continued)

We gained an understanding of how the group and parent company is complying with these laws and regulations by making enquiries of management and those charged with governance. We corroborated these enquiries through our review of submitted returns and relevant correspondence with regulatory bodies.

We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how management and those charged with governance were remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how management and those charged with governance oversee the implementation and operation of controls. We identified a heightened fraud risk in relation to:

- Management override of controls
- Revenue recognition

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing minutes of meetings of those charged with governance for reference to: breaches of laws and regulation or for any indication of any potential litigation and claims and events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud;
- Reviewing the level of and reasoning behind the company's procurement of legal and professional services;
- Revenue has been agreed to supporting documentation;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing judgements made by management in their calculation of accounting estimates for potential management bias;
- Completion of appropriate checklists and use of our experience to assess the Company's compliance with the Companies Act 2006; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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.

Johnston Carmichael LLP

Barry Masson (Senior Statutory Auditor)
For and on behalf of Johnston Carmichael LLP

Date: 28 / 01 / 2024

Chartered Accountants
Statutory Auditor

7-11 Melville Street
EDINBURGH
EH3 7PE

WITHERBY INVESTMENTS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	2022 £
Turnover	3	12,861,327	13,178,940
Cost of sales		(6,242,139)	(5,865,991)
Gross profit		6,619,188	7,312,949
Administrative expenses		(6,582,933)	(7,516,472)
Other operating income		22,450	23,928
Operating profit/(loss)	4	58,705	(179,595)
Interest receivable and similar income	8	49,890	2,299
Interest payable and similar expenses	9	(63)	(9,782)
Fair value gain on investment properties	15	-	50,000
Profit/(loss) before taxation		108,532	(137,078)
Tax on profit/(loss)	10	(4,386)	(44,379)
Profit/(loss) for the financial year	25	104,146	(181,457)

Profit/(loss) for the financial year is all attributable to the owners of the parent company.

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

There is no other comprehensive income in the current or prior financial year hence no separate statement of other comprehensive income has been prepared.

WITHERBY INVESTMENTS LIMITED

GROUP BALANCE SHEET

AS AT 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Goodwill	13	-		17,925	
Other intangible assets	13	119,203		154,343	
Total intangible assets		119,203		172,268	
Tangible assets	14	2,502,923		2,593,054	
Investment properties	15	873,585		1,973,585	
Investments	16	19,050		19,050	
		3,514,761		4,757,957	
Current assets					
Stocks	18	575,877		563,292	
Debtors	19	2,172,401		2,035,255	
Cash at bank and in hand		2,329,016		1,486,285	
		5,077,294		4,084,832	
Creditors: amounts falling due within one year	20	(1,407,846)		(1,003,531)	
Net current assets		3,669,448		3,081,301	
Total assets less current liabilities		7,184,209		7,839,258	
Provisions for liabilities					
Deferred tax liability	22	208,218		245,413	
			(208,218)		(245,413)
Net assets		6,975,991		7,593,845	
Capital and reserves					
Called up share capital	24	54,583		54,583	
Share premium account	25	1,513,125		1,513,125	
Capital redemption reserve	25	12,667		12,667	
Other reserves	25	(55,369)		(112,776)	
Profit and loss reserves	25	5,450,985		6,126,246	
Total equity		6,975,991		7,593,845	

The financial statements were approved by the board of directors and authorised for issue on 31/12/2023 and are signed on its behalf by:

I G Macneil
Director

WITHERBY INVESTMENTS LIMITED

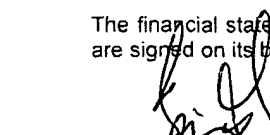
COMPANY BALANCE SHEET

AS AT 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	16		3,160,751		3,160,751
Current assets					
Debtors	19	351,426		351,426	
Cash at bank and in hand		15,743		17,199	
		<u>367,169</u>		<u>368,625</u>	
Creditors: amounts falling due within one year	20	<u>(1,566,535)</u>		<u>(1,510,593)</u>	
Net current liabilities			<u>(1,199,366)</u>		<u>(1,141,968)</u>
Net assets			<u>1,961,385</u>		<u>2,018,783</u>
Capital and reserves					
Called up share capital	24		54,583		54,583
Share premium account	25		1,513,125		1,513,125
Capital redemption reserve	25		12,667		12,667
Profit and loss reserves	25		381,010		438,408
Total equity			<u>1,961,385</u>		<u>2,018,783</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £664,602 (2022 - £28,683 profit).

The financial statements were approved by the board of directors and authorised for issue on 31/12/2023 and are signed on its behalf by:


I G Macneil
Director

Company Registration No. SC410298

WITHERBY INVESTMENTS LIMITED

**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2023**

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 June 2021		54,583	1,513,125	12,667	(162,776)	6,452,703	7,870,302
Year ended 31 May 2022:							
Loss and total comprehensive expense for the year		-	-	-	-	(181,457)	(181,457)
Dividends	11	-	-	-	-	(95,000)	(95,000)
Transfer between reserves		-	-	-	50,000	(50,000)	-
Balance at 31 May 2022		54,583	1,513,125	12,667	(112,776)	6,126,246	7,593,845
Year ended 31 May 2023:							
Profit and total comprehensive income for the year		-	-	-	-	104,146	104,146
Dividends	11	-	-	-	-	(722,000)	(722,000)
Transfer between reserves		-	-	-	57,407	(57,407)	-
Balance at 31 May 2023		54,583	1,513,125	12,667	(55,369)	5,450,985	6,975,991

WITHERBY INVESTMENTS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2023

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 June 2021		54,583	1,513,125	12,667	504,725	2,085,100
Year ended 31 May 2022:						
Profit and total comprehensive income for the year		-	-	-	28,683	28,683
Dividends	11	-	-	-	(95,000)	(95,000)
Balance at 31 May 2022		54,583	1,513,125	12,667	438,408	2,018,783
Year ended 31 May 2023:						
Profit and total comprehensive income for the year		-	-	-	664,602	664,602
Dividends	11	-	-	-	(722,000)	(722,000)
Balance at 31 May 2023		54,583	1,513,125	12,667	381,010	1,961,385

WITHERBY INVESTMENTS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	30	571,993		1,752,562	
Interest paid		(63)		(9,782)	
Income taxes paid		(42,242)		(74,164)	
Net cash inflow from operating activities		529,688		1,668,616	
Investing activities					
Purchase of intangible assets		-		(9,024)	
Purchase of tangible fixed assets		(48,961)		(464,522)	
Proceeds on disposal of investment property		1,054,266		-	
Interest received		45,110		2,299	
Net cash generated from/(used in) investing activities		1,050,415		(471,247)	
Financing activities					
Repayment of other borrowings		(15,372)		(181,304)	
Repayment of bank loans		-		(300,000)	
Dividends paid to equity shareholders		(722,000)		(95,000)	
Net cash used in financing activities		(737,372)		(576,304)	
Net increase in cash and cash equivalents		842,731		621,065	
Cash and cash equivalents at beginning of year		1,486,285		865,220	
Cash and cash equivalents at end of year		2,329,016		1,486,285	

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023.

1 Accounting policies

Company information

Witherby Investments Limited ("the company") is a private limited company domiciled and incorporated in Scotland. The registered office is 27 Stafford Street, Edinburgh, United Kingdom, EH3 7BJ.

The group consists of Witherby Investments Limited and all of its subsidiaries.

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 investment properties at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102 and has taken advantage of the exemption available from the requirement to present a company only cash flow statement and related notes and disclosures.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, 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. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Witherby Investments Limited together with all entities controlled by the parent company and its subsidiaries.

All financial statements are made up to 31 May 2023. 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.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Turnover represents income received from general trade publishing sales as well as rental income receivable from investment properties.

Revenue is recognised on provision of service or when the significant risks and rewards of ownership of goods have passed to the buyer, as well as when 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.

Revenue from rental income is recognised on a straight line accruals basis.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is ten years.

1.7 Intangible fixed assets other than goodwill

Intangible assets are initially recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

All intangible assets are considered to have finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation 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:

Publishing rights	50% on cost
Website	33% on cost
Trademark	12% on cost

1.8 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 over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Property improvements	Over the term of the lease
Plant and equipment	4% and 20% on cost
Fixtures and fittings	25% and 33% on cost and 15% reducing balance
Library	33% on cost

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 recognised in the profit and loss account.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.9 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.10 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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.

1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises purchase cost on a first in, first out basis.

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.

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.14 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 in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include certain 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including certain creditors, 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 group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

Equity instruments issued by the group are recorded at the 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.

1.16 Taxation

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

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 group'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 if, and only if, there is 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.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss 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.

1.20 Government grants

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

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

1.21 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 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:

Fair value of investment property

Investment property is carried at fair value which is based on an open market value. In making their open market value assessment, the directors consider secure tenancy and rental yields. Professional valuations are also sought periodically as part of this process. The directors acknowledge that there is inherent uncertainty in this assessment.

The fair value of investment property is outlined at note 15.

3 Turnover and other revenue

	2023 £	2022 £
Turnover analysed by class of business		
Trade publishing sales	12,852,927	13,135,088
Rental income	8,400	43,852
	<u>12,861,327</u>	<u>13,178,940</u>
	2023 £	2022 £
Turnover analysed by geographical market		
United Kingdom	2,005,134	3,151,752
Rest of Europe	5,226,704	4,249,997
Rest of the World	5,629,489	5,777,191
	<u>12,861,327</u>	<u>13,178,940</u>
	2023 £	2022 £
Other significant revenue		
Interest income	49,890	2,299
Royalty income	15,682	12,921
Grants received	-	1,065
Other operating income	<u>6,768</u>	<u>9,942</u>

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

4 Operating profit/(loss)

	2023 £	2022 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange differences	1,802	96
Government grants	-	(1,065)
Depreciation of owned tangible fixed assets	139,092	187,008
Loss on disposal of investment properties	45,734	-
Amortisation of intangible assets	53,065	247,746
Stocks impairment losses recognised	77,115	71,058
Operating lease charges	44,237	38,244
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	3,750	9,100
Audit of the financial statements of the company's subsidiaries	24,000	13,700
	<u> </u>	<u> </u>
	27,750	22,800
	<u> </u>	<u> </u>

6 Employees

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

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Staff	42	46	-	-
Directors	9	9	7	7
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	51	55	7	7
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	3,622,607	4,214,216	50,458	48,786
Social security costs	235,674	506,022	1,887	2,666
Pension costs	71,804	60,527	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	3,930,085	4,780,765	52,345	51,452
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	2,266,721	2,579,311
Company pension contributions to defined contribution schemes	21,091	5,618
	<u>2,287,812</u>	<u>2,584,929</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2022 - 1).

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

	2023 £	2022 £
Remuneration for qualifying services	<u>1,679,101</u>	<u>2,336,536</u>

8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	43,668	1,649
Other interest income	6,222	650
Total income	<u>49,890</u>	<u>2,299</u>

9 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and loans	-	5,220
Other interest	63	4,562
Total finance costs	<u>63</u>	<u>9,782</u>

10 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	41,564	(44,948)
Adjustments in respect of prior periods	17	73
Total current tax	<u>41,581</u>	<u>(44,875)</u>

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

10 Taxation

(Continued)

	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	12,815	89,254
Adjustment in respect of prior periods	(50,010)	-
Total deferred tax	(37,195)	89,254
Total tax charge	4,386	44,379

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

	2023 £	2022 £
Profit/(loss) before taxation	108,532	(137,078)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 20.00% (2022: 19.00%)	21,706	(26,045)
Tax effect of expenses that are not deductible in determining taxable profit	16,278	76,925
Change in unrecognised deferred tax assets	(24,502)	11,680
Adjustments in respect of prior years	17	73
Effect of change in corporation tax rate	7,461	18,507
Other permanent differences	-	(9,499)
Deferred tax adjustments in respect of prior years	(50,010)	-
Enhanced capital allowance deductions	-	(27,262)
Other differences	12,525	-
Chargeable gains	20,911	-
Taxation charge	4,386	44,379

11 Dividends

	2023 £	2022 £
Recognised as distributions to equity holders:		
Final paid	722,000	95,000

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

12 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Notes	2023 £	2022 £
In respect of:			
Stocks	18	77,115	71,058
		<u>77,115</u>	<u>71,058</u>
Recognised in:			
Cost of sales		77,115	71,058
		<u>77,115</u>	<u>71,058</u>

13 Intangible fixed assets

Group	Goodwill £	Publishing rights £	Website £	Trademark £	Total £
Cost					
At 1 June 2022 and 31 May 2023	2,151,060	9,351	35,520	200,000	2,395,931
Amortisation and impairment					
At 1 June 2022	2,133,135	9,351	7,391	73,786	2,223,663
Amortisation charged for the year	17,925	-	11,839	23,301	53,065
At 31 May 2023	2,151,060	9,351	19,230	97,087	2,276,728
Carrying amount					
At 31 May 2023	-	-	16,290	102,913	119,203
At 31 May 2022	17,925	-	28,129	126,214	172,268

The company had no intangible fixed assets at 31 May 2023 or 31 May 2022.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

14 Tangible fixed assets

Group	Freehold land and buildings £	Property improvements £	Plant and equipment £	Fixtures and fittings £	Library £	Total £
Cost						
At 1 June 2022	810,876	60,809	1,766,252	786,930	11,407	3,436,274
Additions	-	-	-	48,961	-	48,961
Disposals	-	-	-	(45,710)	-	(45,710)
At 31 May 2023	810,876	60,809	1,766,252	790,181	11,407	3,439,525
Depreciation and impairment						
At 1 June 2022	16,218	36,105	96,445	683,045	11,407	843,220
Depreciation charged in the year	16,217	7,601	74,809	40,465	-	139,092
Eliminated in respect of disposals	-	-	-	(45,710)	-	(45,710)
At 31 May 2023	32,435	43,706	171,254	677,800	11,407	936,602
Carrying amount						
At 31 May 2023	778,441	17,103	1,594,998	112,381	-	2,502,923
At 31 May 2022	794,658	24,704	1,669,807	103,885	-	2,593,054

The company had no tangible fixed assets at 31 May 2023 or 31 May 2022.

15 Investment property

	Group 2023 £	Company 2023 £
Fair value		
At 1 June 2022	1,973,585	-
Disposals	(1,100,000)	-
At 31 May 2023	873,585	-

The fair value of investment property has been arrived at on the basis of a valuation carried out by the directors as at 31 May 2023. The valuation was made on an open market value for existing use basis and has been informed by an external valuation carried out by J&E Shepherd Chartered Surveyors and Capital Value Surveyors Limited during 2022.

The net book value of investment property on a historic cost basis at the reporting date is £747,621, being cost of £863,855 and accumulated depreciation of £116,234.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

16 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	17	-	-	3,160,751	3,160,751
Unlisted investments		3,850	3,850	-	-
Other investments		15,200	15,200	-	-
		<u>19,050</u>	<u>19,050</u>	<u>3,160,751</u>	<u>3,160,751</u>

Movements in fixed asset investments

Group	Investments £	Other £	Total £
Cost or valuation			
At 1 June 2022 and 31 May 2023	<u>3,850</u>	<u>15,200</u>	<u>19,050</u>
Carrying amount			
At 31 May 2023	<u>3,850</u>	<u>15,200</u>	<u>19,050</u>
At 31 May 2022	<u>3,850</u>	<u>15,200</u>	<u>19,050</u>

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 June 2022 and 31 May 2023	<u>3,160,751</u>
Carrying amount	
At 31 May 2023	<u>3,160,751</u>
At 31 May 2022	<u>3,160,751</u>

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

17 Subsidiaries

Details of the company's subsidiaries at 31 May 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Wetherby Publishing Group Ltd	27 Stafford Street, Edinburgh, Scotland, EH3 7BJ	Publishing of operational guidance and technical standards	Ordinary	100.00	-
Wetherby Estate Management Ltd	27 Stafford Street, Edinburgh, Scotland, EH3 7BJ	Property rental	Ordinary	100.00	-
Seamanship International Limited	27 Stafford Street, Edinburgh, Scotland, EH3 7BJ	Dormant	Ordinary	-	100.00
Wetherby Digital Limited	27 Stafford Street, Edinburgh, Scotland, EH3 7BJ	Dormant	Ordinary	-	100.00
Wetherbys Publishing Limited	Suite 1, 7th Floor 50 Broadway, London, United Kingdom, SW1H 0BL	Dormant	Ordinary	-	100.00

18 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Finished goods and goods for resale	575,877	563,292	-	-

19 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	1,373,170	1,139,309	-	-
Corporation tax recoverable	428,708	423,267	-	-
Amounts owed by group undertakings	-	-	351,426	351,426
Other debtors	290,580	322,613	-	-
Prepayments and accrued income	79,943	150,066	-	-
	2,172,401	2,035,255	351,426	351,426

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

20 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Other borrowings	21	-	15,372	-	15,372
Trade creditors		63,822	211,281	-	-
Amounts owed to group undertakings		-	-	1,566,535	1,495,170
Other taxation and social security		61,319	54,863	-	51
Other creditors		54,596	18,691	-	-
Accruals and deferred income		1,228,109	703,324	-	-
		<u>1,407,846</u>	<u>1,003,531</u>	<u>1,566,535</u>	<u>1,510,593</u>

Handelsbanken has a floating charge over all property or undertaking of the group in respect of an overdraft facility which is currently not being used.

Other borrowings represent unsecured loan notes on which interest of 4% per annum is charged. The loan notes were fully repaid by the reporting date.

21 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Other borrowings	-	15,372	-	15,372
Payable within one year	-	15,372	-	15,372

22 Deferred taxation

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

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	212,033	246,700
Retirement benefit obligations	(3,815)	(1,287)
	<u>208,218</u>	<u>245,413</u>

The company has no deferred tax assets or liabilities.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2023

22 Deferred taxation

(Continued)

	Group 2023 £	Company 2023 £
Movements in the year:		
Liability at 1 June 2022	245,413	-
Credit to profit or loss	(37,195)	-
Liability at 31 May 2023	<u>208,218</u>	<u>-</u>

23 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>71,804</u>	<u>60,527</u>

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. At the reporting date, pension contributions of £21,349 (2022 - £10,384) were payable by the group and included in other creditors due within one year.

24 Share capital

Group and company	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>54,583</u>	<u>54,583</u>	<u>54,583</u>	<u>54,583</u>

25 Reserves

Share premium

The share premium account represents amounts paid in premium to the par value of shares issued.

Capital redemption reserve

The capital redemption reserve represents amounts retained as fixed capital following redemptions of shares under company legislation.

Other reserves

The other reserve represents cumulative non-distributable unrealised profits and losses resulting from fair value movements on the group's investment property portfolio.

Profit and loss reserves

The profit and loss reserves represents cumulative profits or losses, net of dividends paid and non-distributable reserves.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

26 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 2023 £	2022 £	Company 2023 £	2022 £
Within one year	33,700	32,708	-	-
Between two and five years	71,210	86,347	-	-
	<u>104,910</u>	<u>119,055</u>	<u>-</u>	<u>-</u>

27 Related party transactions

Transactions with related parties

The company has taken advantage of the disclosure exemptions available under Section 33 of FRS 102 whereby it has not disclosed transactions entered into with any wholly-owned entity of the group.

Transactions with directors are outlined at note 28.

28 Directors' transactions

During the year the company made donations totalling £253,122 (2022: £136,930) to the Witherby Publishing Group Trust. The Trust is controlled by I G Macneil, K Heathcote and J Machtelinckx who are all directors of the company.

Dividends totalling £511,021 (2022 - £67,240) were paid in the year in respect of shares held by the company's directors.

Interest free loans have been granted by the group to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Director loans	-	-	439,095	(439,095)	-
		<u>-</u>	<u>439,095</u>	<u>(439,095)</u>	<u>-</u>

29 Controlling party

The ultimate controlling party is I G Macneil who owns 56% of the issued share capital.

WITHERBY INVESTMENTS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

30 Cash generated from group operations

	2023 £	2022 £
Profit/(loss) for the year after tax	104,146	(181,457)
Adjustments for:		
Taxation charged	4,386	44,379
Finance costs	63	9,782
Investment income	(49,890)	(2,299)
Loss on disposal of investment properties	45,734	-
Fair value gain on investment properties	-	(50,000)
Amortisation and impairment of intangible assets	53,065	247,746
Depreciation and impairment of tangible fixed assets	139,092	187,008
Movements in working capital:		
Increase in stocks	(12,585)	(27,958)
(Increase)/decrease in debtors	(131,705)	1,854,694
Increase/(decrease) in creditors	419,687	(329,333)
Cash generated from operations	571,993	1,752,562

31 Analysis of changes in net funds - group

	1 June 2022 £	Cash flows £	31 May 2023 £
Cash at bank and in hand	1,486,285	842,731	2,329,016
Borrowings excluding overdrafts	(15,372)	15,372	-
	1,470,913	858,103	2,329,016