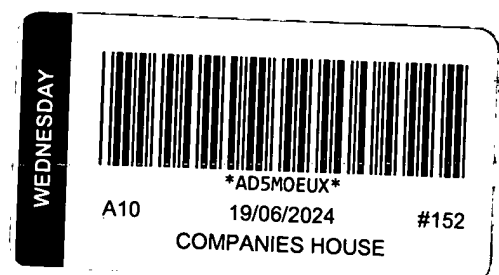


Registered number: 04164708

**G K R LOGISTICS LIMITED
AND ITS SUBSIDIARIES**

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 OCTOBER 2023**



G K R LOGISTICS LIMITED

COMPANY INFORMATION

Directors	L Rowswell N Rowswell
Registered number	04164708
Registered office	94a High Street Sevenoaks Kent TN13 1LP
Independent auditors	CLA Evelyn Partners Limited Brockbourne House 77 Mount Ephraim Tunbridge Wells Kent TN4 8BS
Accountants	Thain Osborne & Co Chartered Accountants 94a High Stret Sevenoaks Kent TN13 1LP

G K R LOGISTICS LIMITED

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G K R LOGISTICS LIMITED

GROUP STRATEGIC REPORT

FOR THE YEAR ENDED 31 OCTOBER 2023

Introduction

The directors present their Group strategic report and the financial statements for the year ended 31 October 2023.

Business review

In the year ended 31st October 2023, sales increased by 21% and there was a slight improvement in the gross profit percentage. Distribution costs increased at 18%, and the group made a profit after tax of £2,733,668 (2022 - £1,037,864). The balance sheet remains strong with £19,518,734 of net assets and £4,571,085 of cash at bank. The directors are satisfied with the results.

The revenue for this financial year increased from target despite predicted decline in the construction output for the UK in 2023. 2024s Construction output is forecasted to rise by 1.1% along with GKR's target from 2023 with a strong pipeline going into 2024.

Distribution costs increased by 18% but in line with sales increase of 20% in the reporting period which demonstrated some efficiency savings taking into account an increased market HVO Fuel cost to previous period and increased Fleet vehicle costs to meet the demand of safer HGV vehicles on the road.

Purchase cost of new materials during 2023 remained consistent in 2023 but predictions of higher costs in 2024 are due to increased shipping costs. This is to be expected to continue throughout the next reporting period however the business has put enhanced planning in place to optimise use of our own materials supply.

Supply of appropriately skilled labour continues to be an issue despite the business being directly unimpacted by Brexit. However, the supply in the market overall has inevitably been reduced, alongside the increase in the number of businesses hiring for high paid, short term contracts in the region, making the labour market more competitive.

Sustainability & Environment

The group remains committed to minimising their impact on the environment through continual investment in their Sustainability Programme and during this financial year have maintained Carbon Neutrality under SCOPES 1 & 2 and measured our SCOPE 3 emissions. In addition, we have had our Net Zero target and measures validated and published by the Science based target initiative with GKR committing to the following:

- Reducing Scope 1 and 2 GHG emissions by 42% by 2030
- Reduce all scope emissions by 90% by 2045

GKR Have also committed to Pledge to Net Zero.

Moving forward we will continue to measure our emissions annually and encouraging our suppliers to measure their own emissions by educating and assisting them to set reduction targets which in turn will help GKR achieve Net Zero by 2045.

Listed below are examples of the activities the company has undertaken recently:

- Recycling of Scaffold sheeting reducing product to landfill.
- Introduction of Electric Forklifts to lower Scope 1 emissions further
- Purchased 100% green electricity through Renewable Energy Guarantees of Origin (REGO).
- Certification of Carbon Neutrality renewed in July 2022
- ISO 50001: Internationally recognised standard that provides a practical way to improve energy efficiency through the development of an energy management system (EnMs).
- Procurement of lower thickness steel scaffold tubes (~18% lighter) therefore contributing to significant Scope 3 emission savings. Furthermore GKR have procured re-used steel tubes, helping to eliminate emissions related to extraction of additional raw materials.
- Recycled workwear and PPE items now being used across the business.

G K R LOGISTICS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

Principal risks and uncertainties

Risks are defined as Issues that affect the achievement of business objectives or the reputation of the Group. Regular review of risks and actions to address risks takes place at all levels of the Group.

Resource Management

Improvements in both forecasting and operational planning now in place will enable the business to optimise use of existing assets to minimise purchase of new materials during peak price increases.

Additionally, as the business directly employs the majority of its workforce, a clear retention strategy is in place to reduce churn and maintain the skill levels required within the business. This enables GKR to provide high quality supervision and consistent teams for projects.

GKR has improved its in-house training provision under the GKR Academy and doubled the number of apprentices as its commitment to addressing the skills crisis.

Commercial risk

There is a commercial risk of non-payment of work and disputes arising from delays. However, GKR mainly work with Tier 1 contractors and have established good relationships with client commercial teams.

GKR's IMS System ensures that checks are carried out on all new clients including assessing credit risk and credit limits and a selective tendering process to filter our projects of higher commercial risk.

Health & Safety Risk

Health and Safety is a significant risk to the business with both a commercial and reputational impact. GKR's strong safety record is a distinguishing factor when clients choose to work with GKR, and increasingly the investment in mental health and general wellbeing support is being valued.

All staff have industry recognised qualifications and are trained to be safe and competent in their role. They are also trained above industry standard through in-house training programmes within the GKR Academy which includes Risk Aversion Training in Virtual Reality.

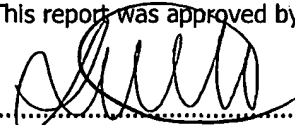
The Group has also renewed its Professional Indemnity insurance at a value required by contractors.

Financial key performance indicators

Key performance indicators for the Group are turnover and gross margins which are regularly reported on and reviewed.

	2023	2022
	£	£
Turnover	31,387,178	25,917,132
Gross profit margin	41.9%	39.1%

This report was approved by the board and signed on its behalf.


.....

L Rowswell
Director

Date: 29/5/24

G K R LOGISTICS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2023

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

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements 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 will continue in business.

The directors are 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £2,733,668 (2022 - £1,037,864).

Dividends totalling £1,488,273 (2022: £1,512,402) have been paid during the year.

Directors

The directors who served during the year were:

L Rowsell
N Rowsell

G K R LOGISTICS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

Greenhouse gas emissions, energy consumption and energy efficiency action

GKR meet Streamlined Energy and Carbon Reporting (SECR) qualification criteria in the UK. GKR have opted to use the Operational Control boundary definition to define their carbon footprint boundary. The reporting period for the compliance is 1st November 2022 to 31 October 2023. Included within that boundary are Scope 1 & 2 emissions, as well as Scope 3 emissions from gas, electricity and company fleet in the UK. The GHG Protocol Corporate Accounting & Reporting Standard and UK Governments GHG Conversion Factors for Company Reporting have been used as part of the carbon emissions calculation.

The results show that GKR's total energy use and total gross Greenhouse Gas (GHG) emissions amounted to 1,939,072.4 kWh and 43.7 tonnes of CO₂e respectively in the 2023 financial year in the UK. GKR have chosen 'Tonnes of CO₂e per million turnover' as an intensity metric as this is an appropriate metric for the business. The Group will compare their performance over time with this metric. Within the financial year, GKR purchased 100% green electricity backed by REGO's. As a result, GKR's Gross (Market-based) Emissions dropped by 22.3 tonnes of CO₂e.

The intensity metric for the financial year 2023 was 1.4 CO₂e/£m compared to 4.4 CO₂e/£m in 2022. Below is the energy consumption and GHG emissions summary table outlining the year on year analysis.

	2023	2022
Scope 1 emissions/tCO ₂ e	21	91
Scope 2 emissions (location-based)/tCO ₂ e	22	22
Total gross Scope 1 & Scope 2 emissions/tCO ₂ e	43	113
Total energy consumption used to calculate above emissions (kWh) (Scope 1 & 2)	1,939,073	1,695,456
Turnover (£m)	31.4	25.9
Intensity ratio: tCO ₂ e (gross Scope 1 & 2) / Turnover (£m) <i>Methodology is Tonnes of CO₂ equivalent divided by Turnover in £m</i>	1.4	4.4
Emissions from employee business travel for which the group does not own or control (grey fleet) (Scope 2)/tCO ₂ e	0.0	2.1
Total gross Scope 1, 2 & 3 emissions/tCO ₂ e (inc. grey fleet)	43	115.1
Energy consumption used to calculate above emissions: kWh (inc. grey fleet)	1,939,073	1,703,077

Energy Efficiency Actions

GKR are ISO 50001 accredited. As part of this accreditation, the Group has a robust and effective framework for improving energy efficiency. Continual improvement is paramount to GKR, with short, medium, and longer-term targets set as part of the retaining the Standard and their commitment to the environment.

During the reporting period, the Group has implemented a number of energy saving initiatives to reduce their associated emissions. These are discussed further in the Strategic Report under the heading Sustainability & Environment.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

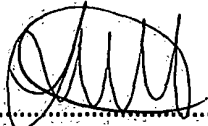
G K R LOGISTICS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2023

Post balance sheet events

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

This report was approved by the board and signed on its behalf.



.....
L Rowsell
Director

Date: 29/5/24

G K R LOGISTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G K R LOGISTICS LIMITED

Opinion

We have audited the financial statements of G K R Logistics Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 October 2023, which comprise the Consolidated profit and loss account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 October 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

G K R LOGISTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G K R LOGISTICS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

G K R LOGISTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G K R LOGISTICS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 Group 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:

We obtained an understanding of the legal and regulatory frameworks applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, compliance with FRS102 (UK GAAP), the Companies Act 2006 and relevant UK taxation laws. We discussed amongst the audit engagement team the identified laws and regulations, and remained alert to any indications of non-compliance.

We understood how the Group is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of Board minutes and supporting papers. We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included, but were not limited to:

- identifying and reviewing the controls in place to prevent and detect fraud;
- enquiries of management as to whether they have knowledge of any actual, suspected or alleged fraud;
- discussion amongst the engagement team regarding the risk of fraud, such as opportunities and incentives for fraudulent manipulation of the financial statements;
- understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- challenging assumptions and judgements made by management in its significant accounting estimates and revenue recognition policy;
- identifying and testing journal entries, with a focus on manual journals and journals which indicated large or unusual transactions (based on our understanding of the business); and
- assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the financial statement item.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. There are inherent limitations in the audit procedures described above, and the more removed from the financial transactions, the less likely it is that we would become aware of non-compliance with laws and regulations. We are not responsible for prevention of non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

G K R LOGISTICS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF G K R LOGISTICS LIMITED (CONTINUED)

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

CLA Evelyn Partners Limited

Jeff Fletcher BA (Hons) FCCA (Senior statutory auditor)

for and on behalf of

CLA Evelyn Partners Limited

Statutory auditors

Brockbourne House
77 Mount Ephraim
Tunbridge Wells
Kent
TN4 8BS

Date: 7th June 2024

G K R LOGISTICS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2023

	Note	2023 £	2022 £
Turnover	4	31,387,178	25,917,132
Cost of sales		(18,234,468)	(15,795,084)
Gross profit		13,152,710	10,122,048
Distribution costs		(817,515)	(696,061)
Administrative expenses		(8,735,137)	(8,071,325)
Other operating income	5	13,895	16,545
Fair value movements		435,000	(550,000)
Operating profit	6	4,048,953	821,207
Income from other participating interests		64,932	110,275
Interest receivable and similar income	10	54,534	43,289
Interest payable and similar expenses	11	(104,970)	(86,176)
Profit before tax		4,063,449	888,595
Tax on profit	12	(1,329,781)	149,269
Profit for the financial year		2,733,668	1,037,864
Profit for the year attributable to:			
Owners of the parent		2,733,668	1,037,864

There are no items of other comprehensive income for 2023 or 2022 other than the profit for the year. As a result, no separate Statement of Comprehensive Income has been presented.

The notes on pages 17 to 34 form part of these financial statements.

G K R LOGISTICS LIMITED
REGISTERED NUMBER:04164708

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	9,851,365	8,797,705
Investments	14	10	-
Investment property	15	2,485,000	2,050,000
		<u>12,336,375</u>	<u>10,847,705</u>
Current assets			
Stocks	16	8,117	15,904
Debtors	17	8,715,074	8,492,942
Cash at bank and in hand		4,571,085	3,628,344
		<u>13,294,276</u>	<u>12,137,190</u>
Creditors: amounts falling due within one year	18	(5,451,292)	(3,433,884)
Net current assets		<u>7,842,984</u>	<u>8,703,306</u>
Total assets less current liabilities		<u>20,179,359</u>	<u>19,551,011</u>
Creditors: amounts falling due after more than one year	19	-	(1,277,672)
Deferred taxation	22	(660,625)	-
		<u>(660,625)</u>	<u>-</u>
Net assets		<u><u>19,518,734</u></u>	<u><u>18,273,339</u></u>
Capital and reserves			
Called up share capital	23	213	213
Fair value reserve	25	65,813	-
Profit and loss account	25	19,452,708	18,273,126
		<u>19,518,734</u>	<u>18,273,339</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


L Rowsell
 Director

Date: 29/5/24

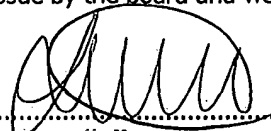
The notes on pages 17 to 34 form part of these financial statements.

G K R LOGISTICS LIMITED
REGISTERED NUMBER:04164708

COMPANY BALANCE SHEET
AS AT 31 OCTOBER 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	14	1,800,336	1,800,336
Current assets			
Cash at bank and In hand		7	7
Creditors: amounts falling due within one year	18	(4)	(4)
Net current assets		3	3
Total assets less current liabilities		1,800,339	1,800,339
Net assets		1,800,339	1,800,339
Capital and reserves			
Called up share capital	23	213	213
Profit and loss account	25	1,800,126	1,800,126
		1,800,339	1,800,339

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its own profit and loss statement in these financial statements. The profit after tax of the parent company is £1,488,273 (2022: £4,212,402). The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


L Rowswell
 Director

Date: 29/5/24

The notes on pages 17 to 34 form part of these financial statements.

G K R LOGISTICS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2023

	Called up share capital £	Fair value reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 November 2021	225	152,063	21,295,589	21,447,877	21,447,877
Profit for the year	-	-	1,037,864	1,037,864	1,037,864
Dividends	-	-	(1,512,402)	(1,512,402)	(1,512,402)
Purchase of own shares	-	-	(2,699,988)	(2,699,988)	(2,699,988)
Shares cancelled during the year	(12)	-	-	(12)	(12)
Transfer between reserves	-	(152,063)	152,063	-	-
At 1 November 2022	213	-	18,273,126	18,273,339	18,273,339
Profit for the year	-	-	2,733,668	2,733,668	2,733,668
Dividends	-	-	(1,488,273)	(1,488,273)	(1,488,273)
Transfer between reserves	-	65,813	(65,813)	-	-
At 31 October 2023	213	65,813	19,452,708	19,518,734	19,518,734

The notes on pages 17 to 34 form part of these financial statements.

G K R LOGISTICS LIMITED

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

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 November 2021	225	1,800,114	1,800,339
Profit for the year	-	4,212,402	4,212,402
Dividends	-	(1,512,402)	(1,512,402)
Purchase of own shares	-	(2,699,988)	(2,699,988)
Shares cancelled during the year	(12)	-	(12)
At 1 November 2022	213	1,800,126	1,800,339
Profit for the year	-	1,488,273	1,488,273
Dividends	-	(1,488,273)	(1,488,273)
At 31 October 2023	213	1,800,126	1,800,339

The notes on pages 17 to 34 form part of these financial statements.

G K R LOGISTICS LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 OCTOBER 2023**

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	2,733,668	1,037,864
Adjustments for:		
Depreciation of tangible assets	2,914,776	2,979,265
Loss on disposal of tangible assets	(149,435)	(261,694)
Interest paid	104,970	86,176
Interest received	(54,534)	(43,289)
Taxation charge	1,329,781	(149,269)
Decrease/(increase) in stocks	7,787	(13,144)
(Increase)/decrease in debtors	(498,974)	735,051
Increase/(decrease) in creditors	1,718,239	(671,018)
Net fair value (gains)/losses recognised in P&L	(435,000)	550,000
Corporation tax (paid)/received	(54,277)	1,463,888
Interest received from investments	(64,932)	-
Net cash generated from operating activities	<u>7,552,069</u>	<u>5,713,830</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(3,968,436)	(2,410,376)
Sale of tangible fixed assets	149,435	261,694
Interest received	54,534	43,289
Interest received from investments	64,932	-
Purchase of unlisted and other investments	(10)	(2)
Net cash from investing activities	<u>(3,699,545)</u>	<u>(2,105,395)</u>
Cash flows from financing activities		
Repayment of loans	(1,305,802)	(196,232)
Repayment of finance leases	(10,737)	(20,687)
Dividends paid	(1,488,273)	(1,512,402)
Interest paid	(104,970)	(86,176)
Purchase of own shares	-	(2,700,000)
Net cash used in financing activities	<u>(2,909,782)</u>	<u>(4,515,497)</u>
Net increase/(decrease) in cash and cash equivalents	<u>942,742</u>	<u>(907,062)</u>
Cash and cash equivalents at beginning of year	<u>3,628,344</u>	<u>4,535,406</u>
Cash and cash equivalents at the end of year	<u><u>4,571,086</u></u>	<u><u>3,628,344</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>4,571,086</u></u>	<u><u>3,628,344</u></u>

G K R LOGISTICS LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 OCTOBER 2023

	At 1 November 2022	Cash flows	Other non- cash changes	At 31 October 2023
	£	£	£	£
Cash at bank and in hand	3,628,344	942,742	-	4,571,086
Debt due after 1 year	(1,277,672)	-	1,277,672	-
Debt due within 1 year	(1,320,952)	1,305,802	(1,277,672)	(1,292,822)
Finance leases	(10,737)	10,737	-	-
	<u>1,018,983</u>	<u>2,259,281</u>	<u>-</u>	<u>3,278,264</u>

The notes on pages 17 to 34 form part of these financial statements.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

1. General information

G K R Logistics Limited is a private company, limited by shares, which is registered and domiciled in England and Wales. The registered office is 94a High Street, Sevenoaks, Kent, TN13 1LP. The principal place of business is Independent House, Arnolde Close, Medway City Estate, Rochester, Kent, ME2 4QW. The principal activity of the Company is that of a holding company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The presentational and functional currency of the Group and Company is pounds sterling. Amounts in these financial statements have been rounded to the nearest whole £1.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 31 October 2016.

2.3 Going concern

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

In arriving at this assumption, the directors have considered a number of factors. Firstly, the Group has traded profitably during the year. Post year-end the Group has continued to trade profitably and current forecasts, based on the pipeline of secured and potential projects, show the Group is expected to continue to trade profitably in the next 12 months and beyond. Further to this, the Group's balance sheet continues to show a positive net asset position and retains a strong level of working capital sufficient to support the ongoing business.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding trade discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Turnover from a contract to provide scaffolding services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Rental income

Rental income from operating leases is recognised net of Value Added Tax and is credited to profit and loss on a straight-line basis over the lease term.

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Investment property rented to other group entities and accounted for under the cost model is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Plant and machinery	-	20% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	33% reducing balance

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Operating leases: the Group as lessor

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

2. Accounting policies (continued)

2.8 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Consolidated profit and loss account in the same period as the related expenditure.

2.10 Interest income

Interest income is recognised in the Consolidated statement of Income and retained earnings using the effective interest method.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value.

2.12 Finance costs

Finance costs are charged to the Consolidated statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

2. Accounting policies (continued)

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

2.15 Investment property

Investment property is carried at fair value determined annually by either the Directors or independent valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the profit and loss account.

2.16 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Financial instruments

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

Financial instruments are recognised in the Group's Balance sheet when the Group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due within the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

2. Accounting policies (continued)

2.18 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2, the directors are required to make judgements, estimates and assumptions which affect the reported amounts of assets, liabilities, revenues and expenses. The directors base their judgements, estimates and assumptions on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different judgements or assumptions.

Turnover from scaffolding services

Turnover from scaffolding services provided is recognised based on management's estimate of the stage of completion of the contract to provide such services. In preparing this estimate, management review the independent certification of work done, the progress of work against contracted timescales and the costs incurred against the budget, including reviews of the anticipated final result of the contracts. The Company has control and review procedures in place to monitor and evaluate the estimates being made to ensure that they are consistent and appropriate.

Doubtful debts and variations of scope

Accrued income from scaffolding services includes variations to the original scope of contracted work which are not always agreed in advance. As such, some of this work is not always recoverable and management only include an estimate of the value expected to be realised within accrued income. This is estimated by calculating the full turnover relating to the valuations and including a provision for the element that is not recoverable. Management apply judgement to this provision using their experience of similar variations completed in the past and their knowledge of ongoing relationships with their customers.

Valuation of plant and machinery

Plant and machinery includes scaffolding materials which are purchased in bulk and often are modified during their use. Due to this the value of these assets is constantly changing and therefore management apply their judgement to value the remaining assets. Management apply an estimated useful life of 5 years, with a residual value of nil and consider that all scaffolding equipment would either have been destroyed or need to be replaced by the end of this 5 year period.

4. Turnover

The whole of the turnover for the Group is attributable to its principal activity of scaffold supplies.

All turnover arose within the United Kingdom.

5. Other operating income

	2023	2022
	£	£
Government grants receivable	13,895	16,545

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

6. Operating profit

The operating profit is stated after charging:

	2023	As restated 2022
	£	£
Depreciation of tangible fixed assets	2,914,776	2,979,265
Other operating lease rentals	173,595	167,354
(Profit)/loss on disposal of tangible fixed assets	(149,435)	(261,694)

7. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2023	2022
	£	£
Fees payable to the Group's auditors for the audit of the Group's annual financial statements	32,900	20,750
Fees payable to the group's auditors for non audit services	-	16,350

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2023	Group 2022	Company 2023	Company 2022
	£	£	£	£
Wages and salaries	11,835,053	10,702,902	-	-
Social security costs	1,298,496	1,262,295	-	-
Cost of defined contribution scheme	218,558	216,676	-	-
	13,352,107	12,181,873	-	-

The average monthly number of employees, including the directors, during the year was as follows:

	Group 2023	Group 2022	Company 2023	Company 2022
	No.	No.	No.	No.
Administration	30	30	2	3
Scaffolders and Drivers	200	188	-	-
	230	218	2	3

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

9. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	296,195	282,989
Group contributions to defined contribution pension schemes	1,753	1,761
	<u>297,948</u>	<u>284,750</u>

During the year retirement benefits were accruing to 1 director (2022 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £166,673 (2022 - £195,876).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,753 (2022 - £1,761).

10. Interest receivable

	2023 £	2022 £
Other interest receivable	<u>54,534</u>	<u>43,289</u>

11. Interest payable and similar expenses

	2023 £	2022 £
Mortgage interest payable	<u>104,970</u>	<u>86,176</u>

12. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	415,715	84,467
Adjustments in respect of previous periods	(6,788)	(20,338)
Total current tax	<u>408,927</u>	<u>64,129</u>
Deferred tax		
Origination and reversal of timing differences	638,067	(213,398)
Adjustments in respect of previous periods	282,787	-
Taxation on profit/(loss) on ordinary activities	<u>1,329,781</u>	<u>(149,269)</u>

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022 - lower than) the standard rate of corporation tax in the UK of 22.52% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	4,063,449	888,595
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22.52% (2022 - 19%)	915,089	168,833
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	106,934	61,119
Deferred tax	69,118	(307,459)
Adjustments to tax charge in respect of prior periods	275,999	(20,338)
Non-taxable income	(37,359)	(51,424)
Total tax charge for the year	1,329,781	(149,269)

From 1 April 2023, the standard rate of corporation tax in the UK increased to 25%.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £
Cost or valuation					
At 1 November 2022	3,636,937	14,161,130	279,529	282,625	186,719
Additions	-	3,949,514	6,000	-	12,922
Disposals	-	(4,189,394)	-	-	-
At 31 October 2023	3,636,937	13,921,250	285,529	282,625	199,641
Depreciation					
At 1 November 2022	72,739	9,128,173	169,256	233,058	146,009
Charge for the year on owned assets	72,739	2,784,249	20,154	16,505	17,859
Charge for the year on financed assets	-	-	3,270	-	-
Disposals	-	(4,189,394)	-	-	-
At 31 October 2023	145,478	7,723,028	192,680	249,563	163,868
Net book value					
At 31 October 2023	3,491,459	6,198,222	92,849	33,062	35,773
At 31 October 2022	3,564,198	5,032,957	110,273	49,567	40,710

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

13. Tangible fixed assets (continued)

	Total £
Cost or valuation	
At 1 November 2022	18,546,940
Additions	3,968,436
Disposals	(4,189,394)
At 31 October 2023	<u>18,325,982</u>
Depreciation	
At 1 November 2022	9,749,235
Charge for the year on owned assets	2,911,506
Charge for the year on financed assets	3,270
Disposals	(4,189,394)
At 31 October 2023	<u>8,474,617</u>
Net book value	
At 31 October 2023	<u>9,851,365</u>
At 31 October 2022	<u>8,797,705</u>

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Freehold	<u>3,491,459</u>	<u>3,564,198</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2023 £	2022 £
Motor vehicles	<u>-</u>	<u>26,164</u>

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

14. Fixed asset investments

Group

	Unlisted investments £
Cost	
At 1 November 2022	-
Additions	3
Correction of opening position	7
At 31 October 2023	<u>10</u>

Company

	Investments in subsidiary companies £
Cost	
At 1 November 2022 and 31 October 2023	<u>1,800,336</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
G K R Scaffolding Limited	200 Tower Bridge Road, London, SE1 2UN	Ordinary (direct)	100%
Frindsbury Properties Limited	94a High Street, Sevenoaks, Kent, TN13 1LP	Ordinary (indirect)	100%

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

15. Investment property

Group

	Freehold investment property £
Valuation	
At 1 November 2022	2,050,000
Fair value movement	435,000
At 31 October 2023	2,485,000

The 2023 valuations were made by independent valuers, Michael Parkes and Stiles Harold Williams (SHW), on an open market value for existing use basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2023 £	2022 £
Historic cost	2,397,250	2,397,250
Accumulated depreciation and Impairments	(239,725)	(191,780)
	2,157,525	2,205,470

16. Stocks

	Group 2023 £	Group 2022 £
Raw materials and consumables	8,117	15,904

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

17. Debtors

	Group 2023 £	Group 2022 £
Due after more than one year		
Other debtors	464,928	149,999
	<u>464,928</u>	<u>149,999</u>
Due within one year		
Trade debtors	7,520,461	7,330,382
Other debtors	272,357	279,691
Prepayments and accrued income	457,328	456,029
Tax recoverable	-	16,612
Deferred taxation	-	260,229
	<u>8,715,074</u>	<u>8,492,942</u>

18. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	1,292,818	1,320,948	-	-
Trade creditors	2,456,334	1,031,165	-	-
Corporation tax	415,715	77,679	-	-
Other taxation and social security	497,180	443,103	-	-
Obligations under finance lease and hire purchase contracts	-	10,737	-	-
Other creditors	236,324	201,010	4	4
Accruals and deferred income	552,921	349,242	-	-
	<u>5,451,292</u>	<u>3,433,884</u>	<u>4</u>	<u>4</u>

The following liabilities were secured:

	Group 2023 £	Group 2022 £
Bank loans	<u>1,292,818</u>	<u>1,320,948</u>

Details of security provided:

Barclays Bank plc holds a charge over the Group's properties at Independent House, Rochester and the ground floor, first floor and apartment at 200 Tower Bridge Road, London as security for the loan.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

19. Creditors: Amounts falling due after more than one year

	Group 2023	Group 2022
	£	£
Bank loans	-	1,277,672
	-	1,277,672

The following liabilities were secured:

	Group 2023	Group 2022
	£	£
Bank loans	-	1,277,672

Details of security provided:

Barclays Bank plc holds a charge over the Group's properties at Independent House, Rochester and the ground floor, first floor and apartment at 200 Tower Bridge Road, London as security for the loan.

20. Loans

Analysis of the maturity of loans is given below:

	Group 2023	Group 2022
	£	£
Amounts falling due within one year		
Bank loans	1,292,818	1,320,948
Amounts falling due 1-2 years		
Bank loans	-	1,277,672
Amounts falling due 2-5 years		
	1,292,818	2,598,620

Details of security provided:

Barclays Bank plc holds a charge over the Group's properties at Independent House, Rochester and the ground floor, first floor and apartment at 200 Tower Bridge Road, London as security for the loan.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2023	Group 2022
	£	£
Within one year	-	10,737

22. Deferred taxation

Group

	2023	2021
	£	£
At beginning of year	260,229	46,831
Charged to profit or loss	(920,854)	213,398
At end of year	(660,625)	260,229

The deferred taxation balance is made up as follows:

	Group 2023	Group 2022
	£	£
Accelerated capital allowances	(638,688)	(109,371)
Unrealised gains and losses	(21,937)	369,600
	(660,625)	260,229

23. Share capital

	2023	2022
	£	£
Allotted, called up and fully paid		
210 (2022 - 210) Ordinary A shares of £1.00 each	210	210
2 (2022 - 2) Ordinary B shares of £1.00 each	2	2
1 (2022 - 1) Ordinary C share of £1.00	1	1
	213	213

The Ordinary Class A shares have full voting, dividend and capital distribution rights. The Ordinary Class B and C shares have dividend rights only.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

24. Dividends

	2023 £	2022 £
Dividend - Ordinary Class A - £6,061 (2022: £6,061) per share	1,272,804	1,321,124
Dividend - Ordinary Class B - £41,853 (2022: £37,861) per share	83,705	75,722
Dividend - Ordinary Class C - £131,764 (2022: £115,556) per share	131,764	115,556
	<u>1,488,273</u>	<u>1,512,402</u>

25. Reserves

Fair value reserve

The cumulative revaluations gains and losses in respect of investment properties.

Share capital

This represents the nominal value of shares that have been issued by the Company.

Profit and loss account

The profit and loss account comprises all current and prior period retained profits and losses.

26. Contingent liabilities

Barclays Bank plc holds cross-guarantees in respect of all accounts held in the names of the companies within the Group, and has the right to the set-off of debit and credit balances on all accounts. The amounts owed by group companies under this guarantee at 31 October 2023 amounted to £nil (2022: £nil) in respect of overdrafts.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2023

27. Commitments under operating leases

At 31 October 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2023 £	Group 2022 £
Payments		
Not later than 1 year	412,362	405,015
Later than 1 year and not later than 5 years	848,385	1,121,590
Later than 5 years	-	15,000
	<u>1,260,747</u>	<u>1,541,605</u>
	Group 2023 £	Group 2022 £
Receipts		
Not later than 1 year	45,000	45,000
Later than 1 year and not later than 5 years	60,000	105,000
	<u>105,000</u>	<u>150,000</u>

28. Related party transactions

During the year the Group was charged management charges of £480,000 (2022: £531,091) plus VAT by G K & Y Rowswell Partnership, a partnership in which all the directors of the Company are partners. During the year the Group paid £480,000 (2022: £531,091) in respect of these costs.

In addition, the Group paid expenses on behalf of the partnership totalling £177,109 (2022: £22,838) and received £176,209 (2022: £83,298) in repayments. At the balance sheet date the Group was owed £35,613 (2022: £32,289) by the partnership and is included in other debtors.

Key management personnel compensation was £1,081,978 (2022: £1,135,766) in total.

G K R LOGISTICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2023

29. Transactions with directors

In the current year, included within other debtors, are loans to the directors of the Group. The loans are repayable on demand. The movements during the year were as follows:

	Directors' loans £
Balance brought forward at 1 November 2021	1,522,348
Amounts advanced	755,287
Amounts repaid	(2,246,121)
Balance carried forward at 31 October 2022	31,514
Balance brought forward at 1 November 2022	31,514
Amounts advanced	5,568
Amounts repaid	(33,969)
Balance carried forward at 31 October 2023	3,113

30. Controlling party

The Company is under the ultimate control of L Rowswell and N Rowswell by virtue of their 94.3% shareholding.