

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

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS**

**FOR THE YEAR ENDED
31 OCTOBER 2024**

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	S&W Partners Audit Limited Brockbourne House 77 Mount Ephraim Tunbridge Wells Kent TN4 8BS
Accountants	Thain Osborne & Co Chartered Accountants 94a High Street Sevenoaks Kent TN13 1LP

G K R LOGISTICS LIMITED

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GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2024

Introduction

The directors present their Group strategic report and the financial statements for the year ended 31 October 2024.

Business review

In the year ended 31 October 2024, sales increased by 32% and there was a large improvement in the gross profit percentage. Distribution costs increased by 22% and the group made a profit after tax of £7,377,594 (2023 - £2,733,668). The balance sheet remains strong with £25,003,699 of net assets and £6,126,940 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 2024. 2025's Construction output is forecasted to rise by 5% along with the Group's target from 2024 with a strong pipeline going into 2025.

Distribution costs increased by 22% but sales increased by 32% 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 volume of new materials during 2024 was considerably higher than the previous reported year with high investment in system scaffold. This is to be expected to reduce throughout the next reporting period with the business being able to optimise use of our own materials supply.

Sustainability & Environment

The Group remain committed to minimising their impact on the environment through continual investment in their Sustainability Programme and commits to reduce scope 1 and scope 2 GHG emissions 42% by 2030 from a 2022 base year, and to measure and reduce its scope 3 emissions. The Group commits to reach net-zero by 2045. As part of this, the Group commits to reduce scope 1+2+3 emissions 90% by 2045 from a 2022 base year. All the above targets are validated and published with science based targets initiative.

The Group have also committed to pledge to net zero.

The Group meets Streamlined Energy and Carbon Reporting (SECR) qualification in the UK. The Group have opted to use the operational control boundary definition to define their carbon footprint boundary. The reporting period for the compliance is 1st November 2023 to 31st October 2024. 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 the Group's total energy use and total Greenhouse Gas (GHG) emissions amounted to 1,510,722 kWh and 56 tonnes of CO₂e respectively in the 2024 financial year in the UK. The Group 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.

G K R LOGISTICS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2024

The intensity metric for the financial year 2024 was 1.4 CO₂e/£m compared to 1.4 CO₂e/£m in 2023. Below is the energy consumption and GHG emissions summary outlining the year on year analysis.

	2024	2023
Scope 1 emissions/tCO ₂ e	36	21
Scope 2 emissions (location-based)/tCO ₂ e	20	22
Total gross Scope 1 & Scope 2 emissions/tCO ₂ e	56	43
Total energy consumption used to calculate above emissions (kWh) (Scope 1 & 2)	1,510,722	1,695,456
Turnover (£m)	41.2	31.4
Intensity ratio: tCO ₂ e (gross scope 1 & 2)/Turnover (£m)	1.4	1.4
Methodology is Tonnes of CO ₂ equivalent divided by Turnover in £m Emissions from employee business travel for which the group does not own or control (grey fleet) (Scope 2)/tCO ₂ e	0.0	0.0
Total gross Scope 1, 2 & 3 emissions/tCO ₂ (Inc. grey fleet)	56	43
Energy consumption used to calculate above emissions: kWh (inc grey fleet)	1,510,722	1,939,073

Energy Efficiency Actions

The Group is 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 the Group, with short, medium, and longer-term targets set as part of 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.

- 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 500001: 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.

Principal risks and uncertainties

Resource Management

Improvements in both forecasting and operational planning continue to 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 the Group to provide high quality supervision and consistent teams for projects.

The Group has improved its in-house training provision under the GKR Academy and doubled the number of apprentices as its commitment to bringing more school/higher education leavers into the industry.

Commercial Risk

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

The Group'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. The Group's strong safety record is a distinguishing factor when clients choose to work with the Group, and increasingly the investment in mental health and general wellbeing support is being valued.

The Group employ a competent internal team with our H&S Director being a Chartered Member of IOSH and sits on the H&S committee for the National Access and Scaffold Confederation (NASC). The H&S team continually monitor and measure the performance of all of the live projects to ensure we are achieving high performance.

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.

Key financial performance indicators

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

	2024	2023
	£	£
Turnover	41,278,983	31,387,178
Gross profit margin	49.6%	41.9%
Net profit margin	17.9%	8.7%

Key non-financial performance indicators

Energy usage targets are set as key non-financial performance indicators to ensure that there are continual improvements of the carbon footprint of the Group. This is measure by reviewing electricity, gas and fleet.

	2024	2023
	kWh	kWh
Electricity	95,000	115,000
Gas	84,000	75,000
Fleet	920,000	890,000

The full Streamlined Energy and Carbon Reporting (SECR) disclosure is included under business review of the strategic report.

Directors' statement of compliance with duty to promote the success of the Group

The directors, in line with their duties under Section 172(1) of the Companies Act 2006, act individually and collectively in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, and in doing so have regard to the stakeholders and amongst other matters; the:

- likely consequences of any decisions in the long-term;
- interests of the Group's employees;
- need to foster the Group's business relationships with suppliers, customers and others;
- impact of the Group's operations on the community and environment;
- desirability of the Group maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the Group.

The Group's business strategy is focussed on achieving success for the Group in the long term. This strategy considers the impact of relevant factors and stakeholder interests. The directors promote a culture of upholding the highest standards of conduct and ensures its core values are communicated to its employees and are embedded in its policies and procedures.

The directors recognise that building strong long-term relationships with its stakeholders will help deliver its strategy. The directors consider the core stakeholders to be its employees, customers, suppliers and the local communities in which it operates.

Protecting the health, safety and wellbeing of its employees and everyone who comes into contact with the business is the main priority. Furthermore, the directors are committed to a diverse and inclusive working environment and ensuring all employees have the necessary skills and training required to carry out their roles and to develop.

The Group aims to develop long term mutually beneficial relationships with its customers. The Group engages with its customers on a continuous basis which allows it to better understand their needs thus ensuring its long-term success.

The suppliers and subcontractors are integral to its operations and the Group aims to be fair in their dealings with them and to make payment within agreed terms.

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

L Rowsell
Director

Date: 2 July 2025

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2024

The directors present their report and the financial statements for the year ended 31 October 2024.

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 £7,377,594 (2023 - £2,733,668).

Dividends totalling £1,892,629 (2023: £1,488,273) have been paid during the year.

Directors

The directors who served during the year were:

L Rowswell
N Rowswell

Engagement with suppliers, customers and others

Clear and frequent communication has engaged employees during an unprecedented period of uncertainty.

At work, staff are regularly kept up to date with ToolBox Talks which are used to share updates on guidance for working safely and other information that impacts their work.

In typical years, bi-annual Strategy Update meetings are used for the Directors to update the whole company on business developments. These have now moved online.

The GKR Integrated Management System is also used for sharing general company information.

Statement of business relationships:

The Group has strong existing relationship with Tier 1 contractors in London and the South East. The strength of these relationships enables the Group to engage at pre-tender stage for key projects in the pipeline.

Account management processes ensure that processes and conversion rates are reviewed, and the engagement plan is adapted accordingly.

Based on market and internal analysis, the Group has grown a number of new key client relationships in new sectors in order to broaden the revenue base.

The Group is also an active member of Build UK, working alongside clients to address industry change initiatives and represent the specialists in the supply chain.

Greenhouse gas emissions, energy consumption and energy efficiency action

The full Streamlined Energy and Carbon Reporting (SECR) disclosure is included under business review of the strategic report.

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.

Post balance sheet events

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

G K R LOGISTICS LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2024

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

L Rowsell
Director

Date: 2 July 2025

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 2024, 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 2024 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.

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 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 a general understanding of the Group's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the Group's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the Group's industry and regulation.

We understand that the Group complies with the framework through:

- Outsourcing accounts preparation and tax compliance to external experts.
- Significant health and safety training is carried out internally, and from external experts, ensuring all staff are suitably trained to carry out their role safely.
- Internal and external audits are carried out on sites that the entity operates from, ensuring that quality at the standard required.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the Group's ability to conduct its business, and/or where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of key significance in the context of the Group, and were reviewed in conjunction with other important laws and regulations the Group is subject to:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Work at Height Regulations 2005.
- Health and Safety at Work etc Act 1974.
- Safety, Health and welfare at work (construction) Regulations 2019.
- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR).

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Outstanding applications may be irrecoverable and would therefore be overstating income in the period, or the stage of completion could be incorrectly calculated, leading to revenue being recognised in the wrong period.
- Manipulation of the financial statements, especially revenue, via fraudulent journal entries.
- Revenues may be overstated or cut-off incorrectly and therefore recognised in the incorrect period.
- Non-compliance with laws and regulations could impact the going concern status of the Group, or lead to material omissions of fines and penalties.
- Scaffolding materials within tangible fixed assets may be materially misstated.

These areas were communicated to the other members of the engagement team not present at the discussion.

The procedures we carried out to gain evidence in the above areas included:

- Agreement of signed application dates to ensure that they are included in the correct period, and tracing through to receipt to ensure that they are recoverable.
- Testing journal entries, focusing particularly on postings to unexpected or unusual accounts and those posted at unusual times.
- Occurrence testing over income, starting from inside the accounting system to outside, ensuring sales are correctly recorded and occurred.
- Review of board minutes, legal expenses which have been incurred and discussion with management to ensure that there were no matters materially affecting the accounts.
- Review of ongoing projects at the year-end and supporting documentation from the contractor to prove scaffolding was on site at the year-end, helping to prove the balance is materially correct.

Overall, the senior statutory auditor was satisfied that the engagement team collectively had the appropriate competence and capabilities to identify or recognise irregularities.

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.

Matthew Neill BA (Hons) MA FCA (Senior statutory auditor)

for and on behalf of

S&W Partners Audit Limited

Statutory auditors

Brockbourne House
77 Mount Ephraim
Tunbridge Wells
Kent
TN4 8BS

Date: 8 July 2025

G K R LOGISTICS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2024

	Note	2024 £	2023 £
Turnover	4	41,278,983	31,387,178
Cost of sales		(20,984,794)	(18,234,468)
Gross profit		<u>20,294,189</u>	<u>13,152,710</u>
Distribution costs		(997,987)	(817,515)
Administrative expenses		(9,396,567)	(8,735,137)
Other operating income	5	57,943	13,895
Fair value movements		-	435,000
Operating profit	6	<u>9,957,578</u>	<u>4,048,953</u>
Income from other participating interests		69,740	64,932
Interest receivable and similar income	10	49,267	54,534
Interest payable and similar expenses	11	(58,689)	(104,970)
Profit before tax		<u>10,017,896</u>	<u>4,063,449</u>
Tax on profit	12	(2,640,302)	(1,329,781)
Profit for the financial year		<u><u>7,377,594</u></u>	<u><u>2,733,668</u></u>

There are no items of other comprehensive income for 2024 or 2023 other than the profit for the year. As a result, no separate Statement of Comprehensive Income has been presented.

The notes on pages 19 to 37 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 OCTOBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	12,325,385	9,851,365
Investments	14	11	10
Investment property	15	2,485,000	2,485,000
		<u>14,810,396</u>	<u>12,336,375</u>
Current assets			
Stocks		2,850	8,117
Debtors	16	9,992,361	8,715,074
Cash at bank and in hand		6,126,940	4,571,085
		<u>16,122,151</u>	<u>13,294,276</u>
Creditors: amounts falling due within one year	17	(4,447,664)	(5,451,292)
		<u>11,674,487</u>	<u>7,842,984</u>
Net current assets			
Total assets less current liabilities		<u>26,484,883</u>	<u>20,179,359</u>
Deferred taxation	19	(1,481,184)	(660,625)
		<u>(1,481,184)</u>	<u>(660,625)</u>
Net assets		<u><u>25,003,699</u></u>	<u><u>19,518,734</u></u>
Capital and reserves			
Called up share capital	20	213	213
Fair value reserve	22	65,813	65,813
Profit and loss account	22	24,937,673	19,452,708
		<u><u>25,003,699</u></u>	<u><u>19,518,734</u></u>

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

L Rowsell
Director

Date: 2 July 2025

The notes on pages 19 to 37 form part of these financial statements.

G K R LOGISTICS LIMITED
REGISTERED NUMBER:04164708

COMPANY BALANCE SHEET
AS AT 31 OCTOBER 2024

	Note	2024 £	2023 £
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	17	(4)	(4)
Net current assets		<u>3</u>	<u>3</u>
Total assets less current liabilities		<u>1,800,339</u>	<u>1,800,339</u>
Net assets		<u>1,800,339</u>	<u>1,800,339</u>
Capital and reserves			
Called up share capital	20	213	213
Profit and loss account	22	<u>1,800,126</u>	<u>1,800,126</u>
		<u>1,800,339</u>	<u>1,800,339</u>

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 was £1,892,629 (2023: £1,488,273). The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

L Rowsell
Director

Date: 2 July 2025

The notes on pages 19 to 37 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2024**

	Called up share capital	Fair value reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
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 1 November 2023	213	65,813	19,452,708	19,518,734	19,518,734
Profit for the year	-	-	7,377,594	7,377,594	7,377,594
Dividends	-	-	(1,892,629)	(1,892,629)	(1,892,629)
At 31 October 2024	<u>213</u>	<u>65,813</u>	<u>24,937,673</u>	<u>25,003,699</u>	<u>25,003,699</u>

The notes on pages 19 to 37 form part of these financial statements.

G K R LOGISTICS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 OCTOBER 2024

	Called up share capital	Profit and loss account	Total equity
	£	£	£
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 1 November 2023	213	1,800,126	1,800,339
Profit for the year	-	1,892,629	1,892,629
Dividends	-	(1,892,629)	(1,892,629)
At 31 October 2024	213	1,800,126	1,800,339

The notes on pages 19 to 37 form part of these financial statements.

G K R LOGISTICS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2024

	2024 £	2023 £
Cash flows from operating activities		
Profit for the financial year	7,377,594	2,733,668
Adjustments for:		
Depreciation of tangible assets	3,579,886	2,914,776
Loss on disposal of tangible assets	(57,539)	(149,435)
Interest paid	58,689	104,970
Interest received	(49,267)	(54,534)
Taxation charge	2,640,302	1,329,781
Decrease in stocks	5,267	7,787
(Increase) in debtors	(1,277,287)	(498,974)
(Decrease)/increase in creditors	(901,091)	1,718,239
Net fair value losses/(gains) recognised in P&L	-	(435,000)
Corporation tax (paid)	(629,463)	(54,277)
Interest received from investments	(69,740)	(64,932)
Net cash generated from operating activities	<u>10,677,351</u>	<u>7,552,069</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(6,055,451)	(3,968,436)
Sale of tangible fixed assets	59,083	149,435
Interest received	49,267	54,534
Interest received from investments	69,740	64,932
Purchase of unlisted and other investments	-	(10)
Net cash from investing activities	<u>(5,877,361)</u>	<u>(3,699,545)</u>
Cash flows from financing activities		
Repayment of loans	(1,292,818)	(1,305,802)
Repayment of finance leases	-	(10,737)
Dividends paid	(1,892,629)	(1,488,273)
Interest paid	(58,689)	(104,970)
Net cash used in financing activities	<u>(3,244,136)</u>	<u>(2,909,782)</u>
Net increase in cash and cash equivalents	<u>1,555,854</u>	<u>942,742</u>
Cash and cash equivalents at beginning of year	<u>4,571,086</u>	<u>3,628,344</u>
Cash and cash equivalents at the end of year	<u><u>6,126,940</u></u>	<u><u>4,571,086</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>6,126,940</u></u>	<u><u>4,571,086</u></u>

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 OCTOBER 2024

	At 1 November 2023 £	Cash flows £	At 31 October 2024 £
Cash at bank and in hand	4,571,086	1,555,854	6,126,940
Debt due within 1 year	(1,292,822)	1,292,822	-
	<u>3,278,264</u>	<u>2,848,676</u>	<u>6,126,940</u>

The notes on pages 19 to 37 form part of these financial statements.

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 Group is the supply, installation and management of scaffolding projects. The principle 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. Accounting policies (continued)**2.3 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.

2.4 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

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 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.

2. Accounting policies (continued)**2.7 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.

2.8 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.

2.9 Interest income

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

2.10 Stocks

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

2.11 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.

2.12 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.

2. Accounting policies (continued)

2.13 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.

2.14 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.

2.15 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. Accounting policies (continued)**2.16 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 with 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.

2.17 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. These are included in accrued income which is £6,784,313 (2023: £6,328,303).

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. The value of the holdback provision included within the accounts is £944,000 (2023: £1,598,000).

Useful economic life 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 useful economic life is constantly changing and therefore management apply their judgement to depreciate 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. The net book value of plant and machinery is £8,724,870 (2023: £6,198,222).

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

	2024 £	2023 £
Government grants receivable	<u>57,943</u>	<u>13,895</u>

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

6. Operating profit

The operating profit is stated after charging:

	2024	As restated 2023
	£	£
Depreciation of tangible fixed assets	3,579,886	2,914,776
Other operating lease rentals	1,378,844	883,995
Cost of defined contribution scheme	218,273	218,558
(Profit)/loss on disposal of tangible fixed assets	<u>(57,539)</u>	<u>(149,435)</u>

7. Auditors' remuneration

During the year, the Group obtained the following services from the Group's auditors and their associates:

	2024	2023
	£	£
Fees payable to the Group's auditors for the audit of the Group's annual financial statements	32,100	26,000
Fees payable to the Group's auditors for non audit services	<u>8,900</u>	<u>6,900</u>
Total	<u>41,000</u>	<u>32,900</u>

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

8. Employees

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

	Group 2024	Group 2023	Company 2024	Company 2023
	£	£	£	£
Wages and salaries	13,437,470	11,834,467	-	-
Social security costs	1,478,310	1,298,496	-	-
Cost of defined contribution scheme	218,273	218,558	-	-
	<u>15,134,053</u>	<u>13,351,521</u>	<u>-</u>	<u>-</u>

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

	Group 2024 No.	Group 2023 No.	Company 2024 No.	Company 2023 No.
Administration	31	30	2	2
Scaffolders and Drivers	224	200	-	-
	<u>255</u>	<u>230</u>	<u>2</u>	<u>2</u>

9. Directors' remuneration

	2024 £	2023 £
Directors' emoluments	388,932	296,195
Group contributions to defined contribution pension schemes	3,524	1,753
	<u>392,456</u>	<u>297,948</u>

During the year retirement benefits were accruing to 2 directors (2023 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £216,477 (2023 - £166,673).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,762 (2023 - £1,753).

10. Interest receivable

	2024 £	2023 £
Other interest receivable	<u>49,267</u>	<u>54,534</u>

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

11. Interest payable and similar expenses

	2024 £	2023 £
Bank interest payable	54	-
Mortgage interest payable	18,295	104,970
Other interest payable	40,340	-
	<u>58,689</u>	<u>104,970</u>

12. Taxation

	2024 £	2023 £
Corporation tax		
Current tax on profits for the year	1,820,656	415,715
Adjustments in respect of previous periods	(913)	(6,788)
Total current tax	<u>1,819,743</u>	<u>408,927</u>
Deferred tax		
Origination and reversal of timing differences	820,559	638,067
Adjustments in respect of previous periods	-	282,787
Taxation on profit on ordinary activities	<u>2,640,302</u>	<u>1,329,781</u>

G K R LOGISTICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2023 - higher than) the standard rate of corporation tax in the UK of 25% (2023 - 22.52%). The differences are explained below:

	2024 £	2023 £
Profit on ordinary activities before tax	<u>10,017,896</u>	<u>4,063,449</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 22.52%)	2,504,474	915,089
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	171,934	106,934
Deferred tax not recognised	14,408	69,118
Adjustments to tax charge in respect of prior periods	(913)	275,999
Non-taxable income	<u>(49,601)</u>	<u>(37,359)</u>
Total tax charge for the year	<u><u>2,640,302</u></u>	<u><u>1,329,781</u></u>

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £
Cost or valuation					
At 1 November 2023	3,636,937	13,921,250	285,529	282,625	199,641
Additions	-	5,968,774	52,479	-	34,198
Disposals	-	(2,679,375)	-	-	(45,351)
At 31 October 2024	<u>3,636,937</u>	<u>17,210,649</u>	<u>338,008</u>	<u>282,625</u>	<u>188,488</u>
Depreciation					
At 1 November 2023	145,478	7,723,028	192,680	249,563	163,868
Charge for the year on owned assets	72,739	3,442,126	30,687	10,567	23,768
Disposals	-	(2,679,375)	-	-	(43,807)
At 31 October 2024	<u>218,217</u>	<u>8,485,779</u>	<u>223,367</u>	<u>260,130</u>	<u>143,829</u>
Net book value					
At 31 October 2024	<u>3,418,720</u>	<u>8,724,870</u>	<u>114,641</u>	<u>22,495</u>	<u>44,659</u>
At 31 October 2023	<u>3,491,459</u>	<u>6,198,222</u>	<u>92,849</u>	<u>33,062</u>	<u>35,773</u>

G K R LOGISTICS LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024****13. Tangible fixed assets (continued)**

	Total
	£
Cost or valuation	
At 1 November 2023	18,325,982
Additions	6,055,451
Disposals	(2,724,726)
At 31 October 2024	<u>21,656,707</u>
Depreciation	
At 1 November 2023	8,474,617
Charge for the year on owned assets	3,579,887
Disposals	(2,723,182)
At 31 October 2024	<u>9,331,322</u>
Net book value	
At 31 October 2024	<u>12,325,385</u>
At 31 October 2023	<u>9,851,365</u>

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

	2024	2023
	£	£
Buildings	<u>3,418,720</u>	<u>3,491,459</u>

No tangible fixed assets are held under finance leases or hire purchase contracts.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2024

14. Fixed asset investments

Group

	Unlisted investments
	£
Cost	
At 1 November 2023	10
At 31 October 2024	10

Company

	Investments in subsidiary companies
	£
Cost	
At 1 November 2023 and 31 October 2023	1,800,336

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 2024

15. Investment property

Group

	Freehold investment property
	£
Valuation	
At 1 November 2023	2,485,000
At 31 October 2024	2,485,000

The 2024 valuations were made by the directors, 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:

	2024	2023
	£	£
Historic cost	2,397,250	2,397,250
Accumulated depreciation and impairments	(287,670)	(239,725)
	2,109,580	2,157,525

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

16. Debtors

	Group 2024 £	Group As restated 2023 £
Due after more than one year		
Other debtors	-	464,928
Due within one year		
Trade debtors	1,849,052	1,197,927
Other debtors	632,676	272,357
Prepayments	726,320	451,559
Accrued income	6,784,313	6,328,303
	<u>9,992,361</u>	<u>8,715,074</u>

The Directors have reviewed the disclosure of outstanding applications and restated the 2023 balance to include the balance of £6,328,303 previously included in trade debtors, within accrued income.

17. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank loans	-	1,292,818	-	-
Trade creditors	1,587,382	2,456,334	-	-
Corporation tax	1,605,996	415,715	-	-
Other taxation and social security	559,047	497,180	-	-
Other creditors	51,362	236,324	4	4
Accruals	643,877	552,921	-	-
	<u>4,447,664</u>	<u>5,451,292</u>	<u>4</u>	<u>4</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024**

18. Loans

Analysis of the maturity of loans is given below:

	Group 2024	Group 2023
	£	£
Amounts falling due within one year		
Bank loans	-	1,292,818
	<u>-</u>	<u>1,292,818</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.

19. Deferred taxation

Group

	2024	2023
	£	£
At beginning of year	(660,625)	260,229
Charged to profit or loss	(820,559)	(920,854)
At end of year	<u>(1,481,184)</u>	<u>(660,625)</u>

The provision for deferred taxation is made up as follows:

	Group 2024	Group 2023
	£	£
Accelerated capital allowances	(1,481,184)	(638,688)
Unrealised gains and losses	-	(21,937)
	<u>(1,481,184)</u>	<u>(660,625)</u>

20. Share capital

	2024	2023
	£	£
Allotted, called up and fully paid		
210 (2023 - 210) Ordinary A shares of £1.00 each	210	210
2 (2023 - 2) Ordinary B shares of £1.00 each	2	2
1 (2023 - 1) Ordinary C share of £1.00	1	1
	<u>213</u>	<u>213</u>

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

21. Dividends

	2024	2023
	£	£
Dividend - Ordinary Class A - £7,960 (2023: £6,061) per share	1,671,616	1,272,804
Dividend - Ordinary Class B - £42,767 (2023: £41,853) per share	85,534	83,705
Dividend - Ordinary Class C - £135,479 (2023: £131,764) per share	135,479	131,764
	<u>1,892,629</u>	<u>1,488,273</u>

22. 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.

23. 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 2024 amounted to £nil (2023: £nil) in respect of overdrafts.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024****24. Commitments under operating leases**

At 31 October 2024 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2024 £	Group 2023 £
Payments		
Not later than 1 year	434,568	412,362
Later than 1 year and not later than 5 years	499,420	848,385
	<u>933,988</u>	<u>1,260,747</u>
	Group 2024 £	Group 2023 £
Receipts		
Not later than 1 year	45,000	45,000
Later than 1 year and not later than 5 years	15,000	60,000
	<u>60,000</u>	<u>105,000</u>

25. Related party transactions

During the year the Group incurred management charges of £504,216 (2023: £480,000) 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 £504,216 (2023: £480,000) in respect of these costs.

In addition, the Group paid expenses on behalf of the partnership totalling £103,876 (2023: £177,109) and received £76,491 (2023: £176,209) in repayments. At the balance sheet date the Group was owed £62,998 (2023: £35,613) by the partnership and is included in other debtors.

Key management personnel compensation was £1,267,701 (2023: £1,081,978) in total.

G K R LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2024

26. 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 £
	31,514
Balance brought forward at 1 November 2022	
	5,568
Amounts advanced	
Amounts repaid	<u>(33,969)</u>
	3,113
Balance carried forward at 31 October 2023	
	3,113
Balance brought forward at 1 November 2023	
	14,040
Amounts advanced	
Amounts repaid	<u>(10,406)</u>
	<u>6,747</u>
Balance carried forward at 31 October 2024	

27. Controlling party

The Company is under the ultimate control of L Rowswell and N Rowswell by virtue of their 94.29% holding of the voting rights.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.