

Registered number
01900103

Anderton Concrete Products Limited
Annual Report and Financial Statements
For the year ended 31 December 2023

Anderton Concrete Products Limited
Annual Report and financial statements 31 December 2023
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Anderton Concrete Products Limited
Annual Report and financial statements 31 December 2023
Company Information

Directors

C Holland
C M McLeish
D A Waters (resigned 24 March 2023)
S Forrester
W D Hicks

Secretary

N D M Giles (resigned 27 January 2023)
R A Parker (appointed 27 January 2023)

Auditor

Deloitte LLP
Statutory Auditor
Four Brindleyplace
Birmingham
United Kingdom
B1 2HZ

Bankers

Lloyds Bank Plc
7 High Street
Leicester
United Kingdom
LE1 9FS

Registered office

Leicester Road
Ibstock
Leicestershire
United Kingdom
LE67 6HS

Registered number

01900103

Anderton Concrete Products Limited Strategic Report

The Directors present the strategic report of Anderton Concrete Products Limited ('the Company') for the year ended 31 December 2023.

Principal activities

The Company is an indirect subsidiary of Ibstock Plc ('the ultimate parent' and 'the Group'). The Company's principal activity during the year was the manufacture and supply of precast concrete products to the building and railway industry.

Results and dividends

The profit for the year after taxation amounts to £4,522,275 (2022 : £3,730,765).

The Directors do not recommend the payment of a dividend (2022 : £nil).

Review of the business

The Company's key financial and other performance indicators used by the Directors to manage the business during the year were as follows:

	2023	2022	
	£'000	£'000	Change %
Turnover	16,062	17,273	(7.0%)
Operating profit	5,945	4,568	30.1%
Profit after tax	4,522	3,731	21.2%
Shareholders' funds	30,408	25,838	17.7%
Average number of employees	61	64	(4.7%)

This performance was achieved against a challenging backdrop of market demand, labour availability and cost pressures. Whilst the industry continues to face these challenges, we are well positioned to maintain our momentum in the year ahead.

In June 2023 the Company completed a small asset acquisition in its infrastructure business, acquiring the trade and assets of G-Tech, an innovative designer and supplier of concrete railway platform solutions.

New product development continues to be an important driver of growth and a number of new products will launch in 2024, including those focused on reducing the embodied carbon within our concrete product range.

Levels of capacity and capability were enhanced by several small capital investments at our key operating locations, including investment in the Company's mould and mixer capacities.

Whilst the business continued to closely manage cash flow, we continued to invest selectively in enhancing our capital base. This included adding capacity and capability to our precast product area and we also made significant investments in digital and IT transformation projects to facilitate more efficient trading relationships with customers.

Future developments

The Directors expect the Company to continue in its principal activity for the foreseeable future and that positive prospects for the business exist.

Anderton Concrete Products Limited Strategic Report (continued)

Principal risks and uncertainties

The Directors of the Company's ultimate parent consider the principal risks and uncertainties of the Group with assistance from its Audit Committee. The principal risks facing the Company are outlined below with full detail being included on pages 22 to 26 of the 2023 Annual Report and Accounts of Ibstock Plc, which does not form part of this report. The principal risks include business continuity, regulatory and compliance, people and talent management, cyber and information system, health, safety and environment, economic conditions, financial risk management, maintaining customer relationships and market reputation, climate change, anticipating product demand and innovation and major project delivery.

Financial risk management

The Company's key financial risk management objective and policy are as per the below:

- **Foreign exchange risk:** As the Company transacts in currencies other than Sterling, exchange rate fluctuations may adversely impact the Company's results. The Company undertakes limited foreign exchange transactions selling domestically with largely local input costs. Some capital expenditure requires foreign exchange purchases and management considers foreign exchange hedging strategies where significant exposures arise.
- **Credit risk:** Through its customers, the Company is exposed to a counterparty risk that accounts receivable will not be settled leading to a financial loss. Customer credit risk is managed subject to the Group's policy relating to customer credit risk management. The Company principally manages credit risk through management of customer credit limits. The credit limits are set for each customer based on the creditworthiness of the customer and the anticipated levels of business activity. These limits are initially determined when the customer account is first set up and are regularly monitored thereafter.
- **Liquidity risk:** Insufficient funds could result in the Company being unable to fund its operations. The Company's policy is to ensure that it has sufficient funding and facilities in place to meet any foreseeable peak in borrowing requirements and liabilities when they become due. The Company also relies on financial support provided by the Group.
- **Interest rate risk:** Movements in interest rates could adversely impact the Company and result in higher financing payments to service debt. The Group finances its operations through a mixture of retained profits and bank borrowings and private placement loan notes. The Group's bank borrowings, other facilities and deposits are in Sterling and are at fixed or floating rates. No interest rate derivative contracts have been entered into during the year or at the year end.
- **Input Costs:** The Company's business may be affected by volatility in raw material costs. Risks exist around our ability to pass on increased costs through price increases to its customers. Significant input costs are under constant review, with continuous monitoring of raw material costs, energy prices and haulage expenses, with the aim of achieving the best possible prices and assuring stability of supply. The impacts are mitigated through pricing increases. The Company maintains appropriate sales pricing policies to remain competitive within our markets and pass on significant increases in input costs.
- **Energy pricing:** The Company's business may also be affected by volatility in energy costs or disruptions in energy supplies. Significant changes in the cost or availability of transportation could affect the Company's results. The Company operates forward purchasing of energy and carbon to mitigate the impact of sudden price increases and monitors the energy and carbon market on an ongoing basis and has modelled the impact of such rises to assess the financial implications.

Anderton Concrete Products Limited

Strategic Report (continued)

Section 172(1) statement

From the perspective of the Directors, as a result of the Group's governance structure, the matters that it is responsible for considering under Section 172(1) of the Companies Act 2006 ('s172') have been considered to an appropriate extent by the ultimate parent Company's board in relation to the Group and to this entity.

The Company considers its key stakeholders to be its employees, customers, suppliers, communities, Pension Fund Members and Trustees, Government and Regulatory bodies and Shareholders.

The Listening Post is the Company's formal mechanism for employee engagement and sharing employee views with the Board. The Board ensured that the People Strategy remained true to the core values of Teamwork, Trust, Care and Courage, and that our employees were appropriately supported.

The Board receives updates on the relationships with existing customers through Customer feedbacks. Strategic decisions, which include capital investment and innovation, are made to fulfil customer requirements.

The Company engaged its key suppliers through the supplier engagement day to achieve mutually beneficial formalised agreements with the key suppliers.

All Directors have a strong relationship with employees, customers and suppliers through close working relationships. They also receive regular formal and informal updates from the People Team and the Sales Team to further understand the needs of these stakeholders.

The relationship with the Communities local to the sites is management by the Factory Managers who provide regular updates to the Directors on this.

During the year, the Group executive directors sit on the boards of the Company and its ultimate parent Company. The Group executive directors formed the primary communication route between the Company and the Shareholders, Government and Regulatory, and Pension Fund Members and Trustees. This structure supports the board of the Company in performing its duties in compliance with the matters set out in s172.

The Board continued to ensure that the Company and Group's strategy remained appropriate to deliver the long-term success of the Company, and oversaw Management's execution of the strategy. The Board carefully evaluated the likely consequences of its decisions, challenging management where necessary to ensure that the impact of any decisions over the long-term would be of benefit to the Company.

The Board remains committed to ensuring the business operates with the highest standards of integrity, and continually reviews and tests the compliance arrangements in place. A significant part of the Board's leadership responsibility is to ensure that the Company's purpose, strategy and culture remain aligned, and it recognises that a robust and transparent culture is a solid foundation for maintaining the Company and the Group's reputation for high standards of business conduct.

Anderton Concrete Products Limited
Strategic Report (continued)
Stakeholder statements (continued)
Section 172(1) statement

Over the course of the year the Board has overseen and supported the initiatives undertaken on culture.

It is acknowledged that it is not possible for all of the Board's decisions to result in a positive outcome for every stakeholder group. When making decisions, the Board considers the Company's purpose, vision and values, together with its strategic priorities and takes account of its role as a responsible business. By doing this, the aim is to ensure that decisions are robust and sustainable and drive long-term success for the Company.

To the extent necessary for an understanding of the development, performance and position of the entity, an explanation of how the ultimate parent Company's Board has considered the matters set out in s172 (for the Group and for the entity) is set out on page 42 and 43 of the Annual Report and Accounts 2023 of Ibstock Plc, which does not form part of this report.

This report was approved by the board on 4 July 2024 and signed on its behalf by:



C Holland
Director
4 July 2024

The Directors present their annual report and financial statements for the year ended 31 December 2023.

The Company has chosen, in accordance with Section 414 C(11) of the Companies Act 2006, to include certain matters in its Strategic report that would otherwise be required to be disclosed in this Directors' report. Details of the Company's financial risk management policies and objectives, future developments and dividends can be found in the Strategic report on pages 2 to 5 and form part of this report by cross reference.

Directors

The persons who served as Directors during the year and subsequently from the year end to the date of this report, unless otherwise stated were:

C Holland
C M McLeish
D A Waters (resigned 24 March 2023)
S Forrester
W D Hicks

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditors and appropriate arrangements are being made for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Disclosure of information to auditors

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

- so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements. This is based on an expectation that the Company and its ultimate parent group ('the Group') have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

From the Company's perspective, the Group has confirmed to the Directors that it will support the Company until at least 12 months from the date of this report in meeting its liabilities as they fall due, to the extent that money is not otherwise available to meet such liabilities.

In arriving at their conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources available within the Group are sufficient to accommodate the principal risks and uncertainties faced by the Company.

Going concern (continued)

The Group has financing arrangements, comprising £100 million of private placement notes with maturities of between 7 and 12 years and a £125 million RCF for an initial four-year tenor, with an enacted one year extension option, both of which were arranged in 2021. At 31 December 2023 the Group had drawn £25 million under the RCF.

The Group's financial planning and forecasting process consists of a budget for the next year followed by a medium term projection. The Directors have reviewed and robustly challenged the assumptions about future trading performance, operational and capital expenditure and debt requirements within these forecasts including the Group's liquidity and covenant forecasts, and stress testing within their going concern assessment.

The key uncertainty faced by the Group is the industry demand for its products in light of macroeconomic factors. Accordingly, the Group has modelled financial scenarios which see reduction in the industry demands for its products thereby stress testing the Group's resilience. Further detail on the Group's scenario modelling is included on page 70 of the 2023 Annual Report and Accounts of Ibstock Plc.

Having taken account of the various scenarios modelled, and in light of the mitigations available to the Group, the Directors are satisfied that the Company has sufficient resources and support of its parent to continue in operation for a period of not less than 12 months from the date of approval of this report. Accordingly, the financial information is prepared on a going concern basis.

Subsequent events

No subsequent events requiring disclosure or adjustments to these financial statements have been identified since the balance sheet date.

This report was approved by the board on 4 July 2024 and signed on its behalf by:



C Holland
Director
4 July 2024

Anderton Concrete Products Limited

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Anderton Concrete Products Limited
Income Statement
For the year ended 31 December 2023

	Notes	2023 £	2022 £
Turnover	2	16,061,905	17,272,716
Cost of sales		(7,172,670)	(10,230,569)
Gross profit		<u>8,889,235</u>	<u>7,042,147</u>
Distribution costs		(1,507,099)	(1,348,916)
Administrative expenses		(1,528,575)	(1,188,493)
Other operating income		91,515	62,935
Operating profit		<u>5,945,076</u>	<u>4,567,673</u>
Interest payable and similar expenses	6	(182)	(1,341)
Profit before taxation	3	<u>5,944,894</u>	<u>4,566,332</u>
Tax on profit	7	(1,422,619)	(835,567)
Profit for the financial year		<u>4,522,275</u>	<u>3,730,765</u>

All activities arise from continuing operations.

The notes on pages 12 to 25 form part of these financial statements.

There are no other items of comprehensive income or loss in the current or prior year other than those included in the Income Statement and accordingly no separate Statement of Other Comprehensive Income has been presented.

Anderton Concrete Products Limited
Statement of Financial Position
As at 31 December 2023

Registered Number: 01900103

	Notes	2023 £	2022 £
Fixed assets			
Intangible assets	8	537,643	-
Tangible assets	9	1,734,090	1,143,789
Current assets			
Stocks	10	3,204,400	1,839,424
Debtors	11	25,952,092	19,390,938
Cash at bank and in hand		2,535,146	7,511,463
		<u>31,691,638</u>	<u>28,741,825</u>
Creditors: amounts falling due within one year	12	(3,463,072)	(4,048,088)
Net current assets		<u>28,228,566</u>	<u>24,693,737</u>
Total assets less current liabilities		<u>30,500,299</u>	<u>25,837,526</u>
Creditors: amounts falling due after more than one year		-	-
Provisions for liabilities			
Deferred taxation	13	(92,570)	-
Net assets		<u>30,407,729</u>	<u>25,837,526</u>
Capital and reserves			
Called up share capital	14	275,000	275,000
Other reserves - share based payments	16	301,799	253,871
Profit and loss account	16	29,830,930	25,308,655
Shareholders' funds		<u>30,407,729</u>	<u>25,837,526</u>

The notes on pages 12 to 25 form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 04 July 2024 and signed on its behalf by:



C Holland
Director
04 July 2024

Anderton Concrete Products Limited
Statement of Changes in Equity
For the year ended 31 December 2023

	Share capital	Other reserves - Share based Payment	Profit and loss account	Total
	£	£	£	£
At 1 January 2022	275,000	226,419	21,749,894	22,251,313
Profit for the financial year	-	-	3,730,765	3,730,765
Total comprehensive income for the financial year	-	-	3,730,765	3,730,765
Share based payment (note 18)	-	27,452	-	27,452
Waiver of intragroup debtor	-	-	(172,004)	(172,004)
At 31 December 2022	<u>275,000</u>	<u>253,871</u>	<u>25,308,655</u>	<u>25,837,526</u>
At 1 January 2023	275,000	253,871	25,308,655	25,837,526
Profit for the financial year	-	-	4,522,275	4,522,275
Total comprehensive income for the financial year	-	-	4,522,275	4,522,275
Share based payment (note 18)	-	47,928	-	47,928
At 31 December 2023	<u>275,000</u>	<u>301,799</u>	<u>29,830,930</u>	<u>30,407,729</u>

The notes on pages 12 to 25 form part of these financial statements.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

1 Summary of material accounting policies

Statement of compliance

Anderton Concrete Products Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Registered Office is Leicester Road, Ibstock, Leicestershire, United Kingdom LE67 6HS.

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 31 December 2023.

The principal activities of the Company and the nature of the operations are set out on the strategic report on page 2.

Basis of preparation

The financial statements have been prepared under the historic cost convention and in accordance with applicable accounting standards. The financial statements are prepared in Sterling which is the functional currency of the Company and rounded to the nearest £.

Reduced disclosure exemptions

Under FRS 102 (Section 1.12 (b)), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent company (Ibstock Plc) includes the company's cash flows in its own published consolidated financial statements.

At 31 December 2023, the company was a wholly owned subsidiary of Ibstock Plc.

The consolidated financial statements of the Group are publicly available at Ibstock Plc, Leicester Road, Ibstock, Leicestershire, LE67 6HS and the Group website 'www.ibstockplc.co.uk'. Accordingly, the company has taken advantage of the exemption with Section 33 of FRS 102 from disclosing transactions with wholly owned subsidiaries of Ibstock Plc.

The company has also taken advantage of the financial instrument disclosure requirement exemptions from making certain disclosures set out within Sections 11 and 12 of FRS 102, and the exemption from disclosing key management compensation (other than Directors' emoluments) under FRS 102 (Section 1.12).

The company has elected to avail itself of the disclosure exemption within FRS 102 (Section 1.12(d)) in relation to certain share-based payment disclosure requirements as it is a subsidiary with share-based payment arrangements in equity of its ultimate parent entity whose separate financial statements are presented alongside the consolidated financial statements, which contain the requisite equivalent disclosures.

Going Concern

The Directors have concluded that it is reasonable to adopt a going concern basis in preparing the financial statements. This is based on an expectation that the Company and its ultimate parent group ('the Group') have adequate resources to continue in operational existence for at least twelve months from the date of signing these financial statements.

From the Company's perspective, the Group has confirmed to the Directors that it will support the Company until at least 12 months from the date of this report in meeting its liabilities as they fall due, to the extent that money is not otherwise available to meet such liabilities.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

1 Summary of material accounting policies (continued)

Going Concern (continued)

In arriving at their conclusion on going concern, the Directors have given due consideration to whether the funding and liquidity resources available within the Group are sufficient to accommodate the principal risks and uncertainties faced by the Company.

The Group has financing arrangements, comprising £100 million of private placement notes with maturities of between 7 and 12 years and a £125 million RCF for an initial four-year tenor, with an enacted one year extension option, both of which were arranged in 2021. At 31 December 2023 the Group had drawn £25 million under the RCF.

The Group's financial planning and forecasting process consists of a budget for the next year followed by a medium term projection. The Directors have reviewed and robustly challenged the assumptions about future trading performance, operational and capital expenditure and debt requirements within these forecasts including the Group's liquidity and covenant forecasts, and stress testing within their going concern assessment.

The key uncertainty faced by the Group is the industry demand for its products in light of macroeconomic factors. Accordingly, the Group has modelled financial scenarios which see reduction in the industry demands for its products thereby stress testing the Group's resilience. Further detail on the Group's scenario modelling is included on page 70 of the 2023 Annual Report and Accounts of Ibstock Plc.

Having taken account of the various scenarios modelled, and in light of the mitigations available to the Group, the Directors are satisfied that the Company has sufficient resources and support of its parent to continue in operation for a period of not less than 12 months from the date of approval of this report. Accordingly, the financial information is prepared on a going concern basis.

Critical accounting judgements and key sources of estimation uncertainty

No critical judgements or estimates were made in applying the Company's accounting policies for the current year.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on delivery.

Bill and hold

In a bill and hold arrangement, revenue is recognised when a customer has obtained control of a product prior to its delivery, this arises when all of the following criteria are met: (a) the reason for the arrangement is substantive, (b) the product has been identified separately as belonging to the customer, (c) the product is ready for delivery in accordance with the terms of the arrangement, and (d) the Company does not have the ability to use the product or sell the product to another customer.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

1 Summary of material accounting policies (continued)

Customer rebates

Provisions for rebates to customers are based upon the terms of individual contracts, with rebates granted based upon a tiered structure dependent upon an individual customer's purchases during the rebate period. Customer rebates are recorded in the same period as the related sales as a deduction from revenue and the vast majority are coterminous with the Company's financial year end. For those individual contracts that are non-coterminous, the Company estimates the provision for this variable consideration based on the most likely outcome amount determined by the terms of each agreement at the time the revenue is recognised. At the financial year end, due to settlement of rebates with customers, the level of remaining estimation is limited and the risk of a significant reversal of recognised revenue is negligible.

Other Income

Other income is attributable to a corporation tax credit for research and development and government grants.

Tangible assets

A tangible asset is recognised when future economic benefits are expected. All tangible assets are initially recorded at cost. The carrying values of property, plant and equipment are reviewed for impairment in years if events or changes in circumstances indicate the carrying value may not be recoverable.

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on all tangible assets, other than freehold land which is not depreciated, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	between 3 and 15 years
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Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

1 Summary of material accounting policies (continued)

Stocks

Stock is stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition as follows:

Raw materials, consumables and goods for resale - recognised on a weighted average cost basis.

Finished goods - cost of direct materials and labour plus attributable overheads based on a normal level of activity.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in the Income Statement.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting year foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to the income statement.

Leases

A lease is classified as a finance lease if it transfers substantially all risks and rewards incidental to ownership.

These assets are capitalised as tangible assets at the fair value of the lease asset and are depreciated over the shorter of the lease term and their useful lives.

All other leases are classified as operating leases. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the income statement as they become payable in accordance with the rules of the scheme.

Difference between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the statement of financial position.

The group also operates a defined benefit plan. The pension plan is administered and accounted for by Ibstock Brick Limited.

For the defined benefit scheme, it is not possible to apportion the underlying assets and liabilities for the scheme to individual companies on a consistent and reasonable basis. The company is therefore accounting for the contributions as if it were a defined contribution scheme.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

1 Summary of material accounting policies (continued)

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past years using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Current and deferred tax assets and liabilities are not discounted.

Share based payments

The cost of equity-settled share based payment transactions with employees is measured by reference to the fair value of the share options granted at the date they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. The awards are made in Ibstock Plc.

Fair value is determined by an external valuer using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting condition, other than condition linked to the price of the shares of the company (market conditions) and non-vesting conditions.

At each statement of financial position date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vested, as described above. The movement in cumulative expense since the previous statement of financial position date is recognised in the income statement, with a corresponding entry in equity.

Further details on share based payments are set out in note 18.

2 Turnover

Turnover represents the amounts receivable for goods and services net of VAT and trade discounts/rebates.

The total turnover for the company for the year has been derived from its principal activity wholly undertaken in the UK.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

3 Profit before taxation	2023	2022
	£	£
This is stated after charging:		
Depreciation of owned tangible assets	153,600	303,064
Amortisation of intangibles	41,357	-
Operating lease rentals - plant and machinery	472,509	415,191
Operating lease rentals - land and buildings	183,358	161,966
Impairment of stock recognised as an expense	100,384	48,308
Auditor's remuneration for audit of the Company's annual accounts	<u>46,613</u>	<u>46,000</u>

There were no non audit services provided to the company in either 2023 or 2022.

4 Directors' remuneration	2023	2022
	£	£
Emoluments	193,082	234,446
Gains made under share schemes	14,249	22,298
Company contributions to defined contribution pension plans	<u>17,098</u>	<u>16,499</u>
	<u>224,429</u>	<u>273,243</u>

The aggregate emoluments of the highest paid Director was £140,564 (2022: £142,737) and company pension contributions of £9,856 (2022: £9,322) were made to a money purchase scheme on his behalf. The highest paid Director did not receive shares for qualifying services or exercise any options in either the current or prior year.

One Director of the company (2022: one) is also a director of other group undertakings and received remuneration and pension contributions, which was paid by other group undertakings. The Director does not believe that it is practicable to apportion this amount between their services as Director of the company and their services as Director of other group undertakings.

Number of directors in company pension schemes:	2023	2022
	Number	Number
Number of Directors accruing benefits under money purchase schemes	<u>4</u>	<u>4</u>

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

5 Staff costs	2023	2022
	£	£
Wages and salaries	2,460,320	2,411,376
Social security costs	178,675	266,906
Other pension costs	109,005	101,210
	<u>2,748,000</u>	<u>2,779,492</u>

Included in staff costs above is a total expense of share based payments of £47,928 (2022: £27,452) which arises from transactions accounted for as equity settled share based payments.

Average monthly number of employees during the year	Number	Number
Administration	7	8
Manufacturing	54	56
	<u>61</u>	<u>64</u>

6 Interest payable and similar expenses	2023	2022
	£	£
Foreign exchange gains/(losses)	182	1,341
	<u>182</u>	<u>1,341</u>

7 Tax on profit	2023	2022
	£	£
Analysis of charge in the year		
Current tax:		
UK corporation tax on profits of the year	1,260,086	810,298
Adjustments in respect of previous years	1,104	23,883
Total current tax	<u>1,261,190</u>	<u>834,181</u>
Deferred tax:		
Origination and reversal of timing differences	157,820	61,261
Effect of increased tax rate on opening liability	10,025	(25,880)
Adjustments in respect of previous years	(6,416)	(33,995)
	<u>161,429</u>	<u>1,386</u>
Tax on profit	<u>1,422,619</u>	<u>835,567</u>

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

7 Tax on profit (continued)

Factors affecting tax charge for the year

The differences between the tax assessed for the year and the standard rate of corporation tax are explained as follows:

	2023	2022
	£	£
Profit before tax	<u>5,944,894</u>	<u>4,566,332</u>
Standard rate of corporation tax in the UK	23.50%	19.00%
	£	£
Profit multiplied by the standard rate of corporation tax	1,397,050	867,603
Effects of:		
Expenses not deductible for tax purposes	23,766	22,840
Capital allowances super-deduction	(2,910)	(18,884)
Change in deferred tax rate	10,025	(25,880)
Adjustments to tax charge in respect of previous years	<u>(5,312)</u>	<u>(10,112)</u>
Tax on profit	1,422,619	835,567

Factors that may affect future tax charges

There are no factors that may affect future tax charges.

8 Intangible fixed assets

	£
	<u>Licences</u>
Cost	
At 1 January 2023	-
Additions	579,000
Disposals	-
At 31 December 2023	<u>579,000</u>
Amortisation	
At 1 January 2023	-
Provided during the year	41,357
On disposals	-
At 31 December 2023	<u>41,357</u>
Carrying amount	
At 31 December 2023	<u>537,643</u>
At 31 December 2022	<u>-</u>

Licences are being written off in equal annual instalments over its estimated economic life of 7 years.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

9 Tangible assets

	Plant and machinery £
Cost	
At 1 January 2023	8,561,457
Additions	743,901
Disposals	<u>(12,755)</u>
At 31 December 2023	<u>9,292,603</u>
Depreciation	
At 1 January 2023	(7,417,668)
Charge for the year	(153,600)
On disposals	<u>12,755</u>
At 31 December 2023	<u>(7,558,513)</u>
Carrying amount	
At 31 December 2023	1,734,090
At 31 December 2022	1,143,789

10 Stocks	2023 £	2022 £
Raw materials and consumables	682,319	531,723
Finished goods and goods for resale	<u>2,522,081</u>	<u>1,307,701</u>
	<u>3,204,400</u>	<u>1,839,424</u>

The cost of inventories recognised as an expense during the year was £7.2m (2022: £10.4m).

11 Debtors	2023 £	2022 £
Trade debtors	1,018,400	1,558,893
Amounts owed by parent undertakings	9,413,000	4,860,620
Amounts owed by fellow subsidiaries	15,470,188	12,808,513
Deferred tax asset (see note 13)	-	68,859
Prepayments and accrued income	<u>50,504</u>	<u>94,053</u>
	<u>25,952,092</u>	<u>19,390,938</u>

During the year ended 2022, the Company waived an amount owed by a fellow subsidiary of £172,004. This has been accounted for as a distribution in line with FRS 102 section 6.

The amounts owed from parent undertakings and fellow subsidiaries have no set payment date, are repayable on demand, interest free and unsecured. These amounts have been recorded as current assets as plans are being put in place to settle them with their related counterparties and these are not expected to be used on a continuing basis.

Anderton Concrete Products Limited
Notes to the Financial Statements
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12 Creditors: amounts falling due within one year	2023	2022
	£	£
Trade creditors	1,116,327	1,836,141
Amounts owed to fellow subsidiaries	58,234	423,594
Corporation tax	1,277,939	769,270
Other taxes and social security costs	181,911	207,957
Accruals and deferred income	828,661	811,126
	<u>3,463,072</u>	<u>4,048,088</u>

The amount owed to fellow subsidiaries have no set payment date, are repayable on demand, interest free and unsecured.

13 Deferred taxation	2023	2022
	£	£
Accelerated capital allowances	132,170	(46,295)
Share based payments	(7,558)	(2,905)
Provisions	(32,042)	(19,659)
Deferred tax asset	<u>92,570</u>	<u>(68,859)</u>

	2023	2022
	£	£
At 1 January	(68,859)	(70,245)
Origination and reversal of timing differences	151,404	27,266
Effect of change in tax rate	10,025	(25,880)
At 31 December	<u>92,570</u>	<u>(68,859)</u>

There are no unused tax losses or unused tax credits.

The amount of the net reversal of deferred tax expected to occur next year is £0.

14 Called up share capital	Nominal value	2023 and 2022 Number	2023	2022
			£	£
Authorised, Allotted, called up and fully paid:				
Ordinary shares	£1 each	275,000	<u>275,000</u>	<u>275,000</u>
			<u>275,000</u>	<u>275,000</u>

Ordinary shares give full voting, dividend and capital distribution rights.
The company has one class of ordinary shares which carry no right to fixed income.

Anderton Concrete Products Limited
Notes to the Financial Statements
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15 Controlling party

At the year ended 31 December 2023, the company's immediate parent company is Ibstock Group Limited.

The company's ultimate parent, ultimate controlling party and the smallest, largest and the only Group company into which this Company is consolidated is Ibstock Plc. Both Ibstock Group Limited and Ibstock Plc have the same registered office as the Company.

Copies of its group financial statements are available from that Ibstock Plc website at www.ibstockplc.co.uk.

16 Capital and reserves

The share based payment reserve records the credit to reserves in relation to share based payments.

The profit and loss reserve records all retained profits and losses.

17 Lease Commitments

At the year end the company had future minimum rentals under non-cancellable operating leases as set out below:

	Land and buildings 2023 £	Land and buildings 2022 £	Other 2023 £	Other 2022 £
Amounts payable:				
within one year	437,726	437,726	141,653	123,273
within two to five years	1,295,863	1,568,589	217,029	89,062
in over five years	547,890	712,890	-	-
	<u>2,281,479</u>	<u>2,719,205</u>	<u>358,682</u>	<u>212,335</u>

Included within other leases is heavy plant, machinery and vehicles.

Anderton Concrete Products Limited
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18 Share based payments	2023	2022
	£	£
Share option and saving related share option expense	47,928	27,452
	<u>47,928</u>	<u>27,452</u>

The Group operates a number of equity settled share-based payment arrangements relating to equity of the parent company. For each scheme, the company takes its portion of the Group's share-based payment charge based on the number of awards to its employees. These schemes are summarised below:

Ibstock Long-Term Incentive Plan (LTIP)

The Group granted LTIPs during the year for Executive Directors and other key management at the discretion of the Board and this has been approved by the shareholders at the Annual General Meeting. Awards under the scheme are granted in the form of nil-priced share options. The LTIP awards contain performance conditions dependent upon the Group's Total Shareholder Return (TSR), adjusted earnings per share (EPS), adjusted return on capital employed (Adjusted ROCE) and certain environmental, social and governance (ESG) targets.

Ibstock Share Option Plan (SOP)

The Group maintains a Share Option Plan at the discretion of the Board and this has been approved by shareholders at the Annual General Meeting. During the years ended 31 December 2023 and 31 December 2022, no options were granted to management under the SOP.

Ibstock Save As You Earn (SAYE) plan

In December 2015, the Ibstock Plc Group introduced a SAYE plan for all employees allowing all participants to make contributions from their salary on a monthly basis over a three year period. A participating employee who enters into a savings agreement is granted an option to acquire ordinary shares under the Sharesave Plan at a specified exercise price. The exercise price was at a discount of 20% on the market price at the date of grant and participation is dependent upon continued employment within the Ibstock Group for the duration of the scheme. An equivalent SAYE was introduced in April 2021. There are no performance conditions associated with either SAYE. These awards vest three years from the date of award and have a maximum exercise term of six months from the date of vesting.

Ibstock Share Incentive Programme (SIP)

In December 2015, the Ibstock Plc Group introduced a SIP, which all employees were entitled to join. This provided free shares up to a value of £800 per employee depending on their period of service. The vesting period is three years from the date of grant. There are no performance conditions associated with the SIP. These awards vest three years from the date of award and have a maximum exercise term of five years from the date of vesting.

Anderton Concrete Products Limited
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18 Share based payments (continued)

Fire Up Grant

In 2022, the Ibstock Plc Group announced a SIP referred to as the "Fire Up share grant". Subject to qualifying employment conditions, all employees were entitled to 500 share options at a nil exercise price. These awards vest two years from the date of award.

Ibstock Senior Manager Share Plan (SMSP)

During the year ended 31 December 2021, the Group introduced the SMSP for certain senior managers. Awards under the scheme are granted in the form of nil-priced share options. The SMSP awards contain performance conditions dependent upon the growth of the Group's adjusted EBITDA. The SMSP has an employment condition of two years.

Ibstock Annual and Deferred Bonus Plan (ADBP)

The first ADBP deferred awards were made in relation to the year ended 31 December 2016 with options issued in March 2017. The main terms of the award are a minimum deferral period of three years, during which time no performance conditions apply. At 31 December 2023, an amount of £nil (2022: £nil) had been recognised in accruals in relation to this award. These awards vest three years from the date of award at which point they are automatically exercised.

Further details of the arrangements are set out in note 25 of the Ibstock Plc 2023 Annual Report and Accounts. Costs are allocated on the basis of options granted by the Scheme to employees of the Company.

The other reserve component of equity represents the element of retained earnings related to the charges for share based payments.

19 Pension scheme

The company participates in both defined contribution and defined benefit pension schemes. All schemes are funded by the payment of contributions to trustee administered funds which are kept entirely separate from the assets of the group.

The total pension cost for the year for the company in respect of defined contribution schemes was £61,734 (2022: £91,210).

The defined benefit scheme is known as the 'Ibstock Pension Scheme', a multi-employer defined benefit pension scheme in the UK. It is not possible to apportion the underlying assets and liabilities of the scheme to individual companies on a consistent and reasonable basis. The company is therefore accounting for contributions to the scheme as if it were a defined contribution scheme and recognised costs of £nil (2022: £10,000). As disclosed in the Ibstock Brick Limited financial statements there is a surplus of £9,832,000 at 31 December 2023 (2022: £15,194,000 surplus).

During the year ended 31 December 2016, following consultation with the members, accounting for the scheme's closure to future accrual from 1 February 2017 occurred as set out in the financial statements of Ibstock Brick Limited. Following closure, all members transferred to the Company's defined contribution scheme. Further disclosures can also be found in the Ibstock Brick Limited financial statements. The Ibstock Brick Limited financial statements are available on request from Companies House website: <https://www.gov.uk/government/organisations/companies-house>.

Anderton Concrete Products Limited
Notes to the Financial Statements
For the year ended 31 December 2023

20 Related party transactions

The Company is a wholly owned subsidiary of Ibstock Plc as at 31 December 2023, the consolidated accounts of which are publicly available at Ibstock Plc, Leicester Road, Ibstock, Leicestershire, LE67 6HS. Accordingly, the Company has taken advantage of the exemption in FRS 102.33.1A, from disclosing transactions with wholly owned subsidiaries of the Ibstock Plc Group. Related party balances are disclosed in note 9 and note 10.

21 Controlling party

The Company's immediate parent company is Ibstock Group Limited. The ultimate parent company, ultimate controlling party and the only Group company into which this Company is consolidated is Ibstock Plc. Both Ibstock Group Limited and Ibstock Plc have the same registered office address as the Company.

The parent of the smallest and largest group in which these financial statements are consolidated is Ibstock Plc, incorporated in England.

The address of Ibstock Plc is: Leicester Road, Ibstock, Leicestershire, United Kingdom, LE67 6HS.

These financial statements are available on request from the Ibstock Plc website at www.ibstockplc.co.uk.

22 Subsequent events

No subsequent events requiring disclosure or adjustments to these financial statements have been identified since the balance sheet date.

Independent auditor's report to the members of Anderton Concrete Products limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Anderton Concrete Products limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31st December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- Income Statement
- Statement of Financial Position
- Statement of changes in Equity; and
- the related notes 1 to 22.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's

ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included employment law, occupational health and safety regulations, the Environment Act, the Water Framework Directive, the Waste Directive, the Environmental Protection Act and the Energy Efficiency Directive.

We discussed among the audit engagement team including relevant internal specialists such as tax, pensions and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Highton (FCA)

(Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom

4th July 2024