Registered number
01410463

Supreme Concrete Limited

Annual Report and Financial Statements

For the year ended 31 December 2022

Supreme Concrete Limited
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Directors
C Holland
C M McLeish
D A Waters (resigned 24 March 2023)
J H Hudson
T W Wright
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
7 High Street
Leicester
United Kingdom
LE1 9FS

Registered office
Leicester Road
Ibstock
Leicestershire
United Kingdom
LE67 6HS

Registered number
01410463

Supreme Concrete Limited
Strategic Report

The Directors present the strategic report of Supreme Concrete Limited ('the Company') for the year ended 31 December 2022.

Principal activities

The Company is an indirect subsidiary of, and is included within the consolidated financial statements of, Ibstock Plc ('the ultimate parent' and 'the Group').

The Company's principal activities during the year continued to be that of manufacture and supply of precast and prestressed concrete products to the building industry.

The Directors do not expect that to change in the foreseeable future.

Results and dividends

The profit for the year after taxation amounts to £8,631,021 (2021 : £6,645,711).

The Directors do not recommend the payment of a dividend (2021 : £nil).
The Company had net assets of £77,772,018 (2021 : £69,058,073).

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:

	2022 £'000	2021 £'000	Change %
Turnover	51,288	46,812	9.6%
Operating profit	10,674	8,134	31.2%
Profit after tax	8,631	6,646	29.9%
Shareholders' funds	77,772	69,058	12.6%
Average monthly number of employees	182	166	9.6%

The Company saw the benefit from the 2021 business rationalisation and delivered in increase of operating profit of 31.2% and increase of profit after tax of 29.9% versus 2021.

This performance was achieved against a challenging backdrop of supply chain, labour availability and cost pressures, which the business managed dynamically. The cost pressures were particularly pronounced in our prestressed products containing steel. Whilst the industry continues to face these challenges, we are well positioned to maintain our momentum in the year ahead.

New product development continues to be an important driver of growth and a number of new products will launch in 2023, including those focused on reducing the embodied carbon within our concrete product range.

Review of the business (continued)

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 and Prestressed product areas 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.

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 in the 2022 Annual Report and Accounts of Ibstock Plc. The principal risks include climate change, material operational disruption, market uncertainty, anticipating product demand, financial risk management, regulatory and compliance, maintaining customer relationships and market reputation, people and talent management, product quality, cyber and information security 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.

Principal risks and uncertainties (continued)

Financial risk management (continued)

• 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.

Stakeholder statements

Other stakeholders

From the perspective of the Directors, as a result of the Group's governance structure, the ultimate parent Company's Board has taken the lead in carrying out the duties of the Directors in respect of the Company's other stakeholders. The Directors have also considered relevant matters, where appropriate. An explanation of how the Directors on the ultimate parent Company's Board have had regard to the need to foster the Company's business relationships with suppliers, customers and others, and the effect of that regard, including the principal decisions taken by the Company during the financial year, is set out (for the Group and for this entity) on pages 44 to 45 and 89 of the Annual Report and Accounts 2022 of Ibstock Plc, which does not form part of this report.

Further details also can be found in the section 172(1) statement below.

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, and shareholders.

The Listening Post is 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.

Supreme Concrete Limited
Strategic Report (continued)
Stakeholder statements (continued)
Section 172(1) statement
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 Shareholder, 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.

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 88 and 89 of the Annual Report and Accounts 2022 of Ibstock Plc, which does not form part of this report.

This report was approved by the board on 23 June 2023 and signed on its behalf by:

C Holland
Director
23 June 2023

Directors' Report

The Directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2022.

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, other stakeholders, 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 following persons who served as Directors during the year and subsequent to 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)
J H Hudson
T W Wright
W D Hicks

Energy and carbon reporting

The Company has taken advantage of the disclosure exemptions available to it as it meets the definition under Schedule 7 (1A) of the Large and medium-sized companies and Groups (Accounts and Reports) Regulations. The Company is an indirect subsidiary of, and is included within the consolidated financial statements of, Ibstock Plc, which has the same financial year end as the Company.

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.

Directors' statement as to disclosure of information to the auditor

Each person who was a Director at the time this report was approved confirms that:

- 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.

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.

During the final quarter of the 2021 year, the Group completed the refinancing of its March 2023 £215 million Revolving Credit Facility ('RCF'), replacing the existing facility with the issuance of £100 million of private placement notes with maturities of between seven and twelve years and a £125 million RCF for an initial four-year tenure, with a one-year extension option. In addition, in the final quarter of 2022, the Group enacted a one-year extension of the £125 million RCF, extending maturity to November 2026 on similar terms to the original agreement. At 31 December 2022 the RCF was undrawn.

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 within the 2022 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 23 June 2023 and signed on its behalf by:

C Holland
Director
23 June 2023

Supreme Concrete Limited
Statement of Directors' Responsibilities

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

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

Supreme Concrete Limited
Income Statement
For the year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover	2	51,287,993	46,812,204
Cost of sales		(32,035,284)	(29,795,160)
Gross profit		19,252,709	17,017,044
Distribution costs		(5,534,900)	(5,219,073)
Administrative expenses		(3,218,256)	(3,859,577)
Other operating income		174,345	195,168
Operating profit		10,673,898	8,133,562
Interest payable and similar expenses	6	(7,658)	(1,179)
Profit before taxation	3	10,666,240	8,132,383
Tax on profit	7	(2,035,219)	(1,486,672)
Profit for the financial year		8,631,021	6,645,711

All activities arise from continuing operations.

The notes on pages 12 to 21 form part of these financial statements.

There was no other comprehensive income or expenses for the year or preceding year other than as stated in the Income Statement, above. Accordingly, no separate Statement of Other Comprehensive Income has been prepared.

Supreme Concrete Limited Registered number: 01410463
Statement of Financial Position
As at 31 December 2022

	Notes		2022 £		2021 £
Fixed assets					
Tangible assets	8		7,047,151		6,997,628
Current assets					
Stocks	9	8,323,602		4,789,270	
Debtors	10	69,982,608		66,833,394	
Cash at bank and in hand		2,701,604		4,724,547	
		81,007,814		76,347,211	
Creditors: amounts falling due within one year	11	(10,171,776)		(13,263,610)	
Net current assets			70,836,038		63,083,601
Total assets less current liabilities			77,883,189		70,081,229
Deferred taxation	12		(111,171)		-
Provisions for liabilities	13		-		(1,023,156)
Net assets			77,772,018		69,058,073
Capital and reserves					
Called up share capital	14		31,000		31,000
Capital redemption reserve	15		19,000		19,000
Other reserves	15		880,207		797,283
Profit and loss account	15		76,841,811		68,210,790
Shareholders' funds			77,772,018		69,058,073

The notes on pages 12 to 21 form part of these financial statements.

These financial statements were approved by the Board and authorised for issue on 23 June 2023 and signed on its behalf by:

C Holland
Director
23 June 2023

Supreme Concrete Limited
Statement of Changes in Equity
For the year ended 31 December 2022

	Called Up Share capital £	Capital Redemption reserve £	Other Reserves £	Profit and loss account £	Total £
At 1 January 2021	31,000	19,000	748,947	61,565,079	62,364,026
Profit for the financial year	-	-	-	6,645,711	6,645,711
Total comprehensive income for the financial year	-	-	-	6,645,711	6,645,711
Credit to equity for equity settled share-based payment (note 18)	-	-	48,336	-	48,336
At 31 December 2021	31,000	19,000	797,283	68,210,790	69,058,073
At 1 January 2022	31,000	19,000	797,283	68,210,790	69,058,073
Profit for the financial year	-	-	-	8,631,021	8,631,021
Total comprehensive income for the financial year	-	-	-	8,631,021	8,631,021
Credit to equity for equity settled share-based payment (note 18)	-	-	82,924	-	82,924
At 31 December 2022	31,000	19,000	880,207	76,841,811	77,772,018

The notes on pages 12 to 21 form part of these financial statements.

1 Summary of significant accounting policies

Statement of compliance

Supreme Concrete Limited is a private company limited by shares incorporated in the United Kingdon 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 2022.

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 2022, 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. 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 payments 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.

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.

During the final quarter of the 2021 year, the Group completed the refinancing of its March 2023 £215 million Revolving Credit Facility ('RCF'), replacing the existing facility with the issuance of £100 million of private placement notes with maturities of between seven and twelve years and a £125 million RCF for an initial four-year tenure, with a one-year extension option. In addition, in the final quarter of 2022, the Group enacted a one-year extension of the £125 million RCF, extending maturity to November 2026 on similar terms to the original agreement. At 31 December 2022 the RCF was undrawn.

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 within the 2022 Annual Report and Accounts of Ibstock Plc.

1 Summary of significant accounting policies (Continued)

Going Concern (continued)

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

Revenue represents the value of goods supplied to external customers. Revenue is measured at the fair value of the consideration received and excludes trade discounts and value added tax. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually at the point of dispatch, the amount of revenue can be measured reliably, it is probable that the economic benefit associated with the transaction will flow to the entity and the revenue in respect of the transaction can be measured reliably.

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.

Government grants

Government grants are recognised within the income statement on a systematic basis over the periods in which the Group recognises expenses the related costs for which the grants are intended to compensate.

Grants are presented as part of the income statement and are included as other income. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised within the income statement in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received.

Tangible assets

A tangible asset cost 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 periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Tangible assets are measured at cost less cumulative depreciation and any cumulative 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:

Freehold land and buildings	between 25 and 50 years
Short leasehold land and buildings	evenly over the lease term or the expected useful economic life whichever is the shorter
Plant and machinery	between 3 and 10 years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

1 Summary of significant accounting policies (Continued)

Financial instruments

Financial assets

Financial assets, including trade and other receivables, loans to fellow group companies and cash and bank are initially recognised at fair value. Such assets are subsequently carried at amortised cost using the effective interest method less impairment. Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.
Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial liabilities

Financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Stocks

Stock is stated at the lower of cost and net realisable value. Costs include 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.

Work in progress and 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).

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period.

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.

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 period 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.

1 Summary of significant accounting policies (Continued)

Leases
A lease is classified as a finance lease if it transfers substantially all the 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 to defined contribution plans are expensed in the period to which they relate.

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

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.

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 Analysis of turnover

Turnover represents the amount receivable for goods net of VAT and trade discounts.

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

3 Profit before taxation

	2022	2021
	£	£
This is stated after charging:		
Depreciation of owned tangible assets	1,317,140	1,471,799
Loss on disposal of tangible assets	-	10,887
Operating lease rentals - plant and machinery	516,518	413,405
Operating lease rentals - land and buildings	506,260	502,198
Auditor's remuneration for audit of the Company’s annual accounts	46,000	42,000

There were no non audit services provided to the company in either 2022 or 2021.

4 Directors' remuneration

	2022 £	2021 £
Emoluments	399,246	447,503
Gains made under long term incentive schemes	54,305	-
Company contributions to defined contribution pension plans	27,313	15,946
	480,864	463,449

The above emoluments represent apportionment of the total remuneration for 5 (2021: 5) of the company Directors. The other company Directors are remunerated through other group undertakings.

	2022 £	2021 £
Highest paid Director paid by the Company:		
Emoluments	202,757	170,194
Company contributions to defined contribution pension plans	10,750	78
	213,507	170,272

The highest paid Director did not receive shares for qualifying services or exercise any options in either the current or prior year nor accrued retirement benefits from defined pension plans.

Number of Directors in company pension schemes:	2022 Number	2021 Number
Number of Directors being members of money purchase pension schemes	4	4
Number of Directors accruing benefits under Group's defined benefit pension schemes	1	1

Further details on the pension schemes can be found in note 19 to the accounts.

5 Staff costs

	2022 £	2021 £
Wages and salaries	8,756,647	8,383,573
Social security costs	545,456	662,915
Other pension costs	247,759	218,817
	9,549,862	9,265,305

Included in wages and salaries is a total expense of share based payments of £82,924 (2021: £48,336) which arises from transactions accounted for as equity settled share based payments. Other 'pension costs' includes only those of defined contribution schemes.

In the prior year, the Company voluntarily returned £62,466 of furlough funds received during 2020 under the Government’s Coronavirus Job Retention Scheme (“CJRS”) in respect of colleagues subsequently made redundant.

Average monthly number of employees during the year	2022 Number	2021 Number
Administration	33	33
Manufacturing	149	133
	182	166

6 Interest payable and similar expenses

	2022 £	2021 £
Finance charges payable under finance leases and hire purchase contracts	-	1,179
Foreign exchange losses	7,658	-
	7,658	1,179

7 Taxation

	2022	2021
	£	£
Analysis of charge in the year		
Current tax:		
UK corporation tax on profits of the year	1,783,835	1,480,028
Adjustments in respect of previous periods	(23,830)	41,271
Total current tax	1,760,005	1,521,299
Deferred tax:		
Origination and reversal of timing differences	207,942	70,016
Effect of change in tax rate on opening asset	49,402	(25,245)
Adjustment in respect of previous periods	17,870	(79,398)
Total deferred tax	275,214	(34,627)
Total tax on profit	2,035,219	1,486,672

Factors affecting total 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:

	2022	2021
	£	£
Profit before tax	10,666,240	8,132,383
Standard rate of corporation tax in the UK	19.00%	19.00%
	£	£
Profit multiplied by the standard rate of corporation tax	2,026,586	1,545,153
Effects of:		
Expenses not deductible for tax purposes	25,406	39,091
Capital allowances super-deduction	(60,215)	(34,200)
Change in deferred tax rate	49,402	(25,245)
Adjustments to tax charge in respect of previous periods	(5,960)	(38,127)
Tax on profit	2,035,219	1,486,672

Factors that may affect future tax charges

As part of the measures announced in the 2022 Autumn Statement, the Chancellor of the Exchequer reinstated the previously cancelled increase in the standard rate of corporation tax from 19% to 25% with effect from 1 April 2023. The full impact of this change is reflected in these financial statements.

8 Tangible assets

	Freehold Land and buildings	Short leasehold Land and buildings	Plant and machinery	Assets under the course of construction	Total
	£	£	£	£	£
Cost					
At 1 January 2022	2,042,829	3,382,947	22,701,499	916,995	29,044,270
Additions	2,206	4,413	108,977	1,251,067	1,366,663
Transfers from AUTCOC	-	-	137,518	(137,518)	-
At 31 December 2022	2,045,035	3,387,360	22,947,994	2,030,544	30,410,933
Depreciation					
At 1 January 2022	779,066	3,269,432	17,998,144	-	22,046,642
Charge for the year	58,538	60,536	1,198,066	-	1,317,140
At 31 December 2022	837,604	3,329,968	19,196,210	-	23,363,782
Carrying amount					
At 31 December 2022	1,207,431	57,392	3,751,784	2,030,544	7,047,151
At 31 December 2021	1,263,763	113,515	4,703,355	916,995	6,997,628

Assets under the course of construction are not depreciated until they are transferred to plant and machinery when they are used.

A loss on disposal of property plant and equipment of £nil has been recognised in the year ended 31 December 2022 (2021: loss £10,887).

9 Stocks

	2022	2021
	£	£
Raw materials and consumables	2,848,827	2,001,718
Finished goods and goods for resale	5,474,775	2,787,552
	8,323,602	4,789,270

The difference between purchase price or production cost of stocks and their replacement cost is not material.

10 Debtors

	2022	2021
	£	£
Trade debtors	4,960,010	11,199,712
Amounts owed by parent undertakings	20,104,039	12,617,160
Amounts owed by fellow subsidiaries	44,050,042	42,238,763
Deferred tax asset (see note 12)	-	164,043
Corporation tax asset	582,083	345,033
Prepayments and accrued income	181,143	163,392
Other debtors	105,291	105,291
	69,982,608	66,833,394

The amount owed by 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.

11 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	5,054,113	7,357,673
Amounts owed to parent undertakings	592,024	592,024
Amounts owed to fellow subsidiaries	144,444	159,352
Other taxes and social security costs	1,088,556	838,062
Accruals and deferred income	3,292,639	4,316,499
	10,171,776	13,263,610

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

12 Deferred taxation

	2022	2021
	£	£
Accelerated capital allowances	162,042	(43,174)
Share based payments	(11,964)	(36,301)
Provisions	(38,907)	(84,568)
Deferred tax liability/(asset)	111,171	(164,043)

At 1 January	(164,043)	(129,416)
Origination and reversal of timing differences	225,812	(9,382)
Effect of change in tax rate	49,402	(25,245)
At 31 December	111,171	(164,043)

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 £4,664.

13 Provisions for liabilities

	Dilapidations	Onerous leases	**Total**
	£	£	**£**
At 1 January 2022	210,000	813,156	1,023,156
Utilised during the year	(210,000)	-	(210,000)
Reverse amounts unused	-	(813,156)	(813,156)
At 31 December 2022	-	-	-

During the current year the dilapidations provision was utilised following the exit of the related leases. The previously provided for onerous lease provision has been released following the exit of the leases.

During the prior year, the Company recognised provisions arising from obligations to perform dilapidations for certain leased properties and onerous lease provisions following the triggering event of the formal decision to exit the related leases.

Provisions are based on the Company's best estimate of the likely committed cash outflow with uncertainties in relation to the ultimate timing and valuation of any settlement regarding vacant properties.

14 Called up Share capital

	2022	2021
	£	£
Authorised:		
50,000 Ordinary shares of £1 each	50,000	50,000
Allotted, called up and fully paid:		
31,000 Ordinary shares of £1 each	31,000	31,000

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.

15 Reserves

The Capital redemption reserve records the nominal values of shares repurchased by the company.
The other reserves records the credit to reserves in relation to share based payments.
The profit and loss reserve records all retained profits and losses.

16 Capital commitments

	2022	2021
	£	£
Amounts contracted for but not provided in the accounts:		
Fixed Assets	-	267,115

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 2022	Land and buildings 2021	Other 2022	Other 2021
Amounts payable:	£	£	£	£
within one year	505,981	231,500	397,891	370,680
between one and five years	2,023,924	806,164	496,658	610,661
in over five years	1,706,754	771,985	-	-
	4,236,659	1,809,649	894,549	981,341

18 Share Based Payments

	2022	2021
	£	£
Share option and saving related share option expense	82,924	48,336
	82,924	48,336

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)
In December 2015, the Ibstock Plc Group introduced a LTIP for key management. Subsequent LTIP awards were made annually with the current year award made in April 2022. The equity awards under the scheme were based on a proportion of salary, granted at nil cost and with performance conditions dependent upon the Group's earnings per share and total shareholder return. These awards vest three years from the date of award and have a maximum exercise term of seven years from the date of vesting. There is a two year holding period for executive Directors.

Ibstock Share Option Plan (SOP)
In December 2015, the Ibstock Plc Group introduced a SOP for all eligible employees under which share options were granted with an exercise price in line with the market price at the date of grant and a vesting period of three years. Subsequent SOP awards were made in April 2016, March 2017, April 2018 and May 2019. There are no performance conditions associated with any SOP award. These awards vest three years from the date of award and have a maximum exercise term of seven years from the date of vesting. During the year ended 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 the 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.

18 Share Based Payments (continued)

Ibstock Share Incentive Programme (SIP)

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.

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.

Ibstock Senior Manager Share Plan (SMSP)

During the year ended 31 December 2021, the Group introduced the SMSP for certain members of management. 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 profitability. The SMSP has an employment condition of two years. The current year SMSP awards were made in April 2022.

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 2022, an amount of £nil (2021: £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 26 of the Ibstock Plc 2022 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 a defined contribution scheme. The scheme is funded by the payment of contributions to trustee administered funds which are kept entirely separate from the assets of the group.
At 31 December 2022, the pension cost unpaid was £47,048 (2021 : £nil).

The total pension for cost for the year for the company in respect of defined contribution schemes was £247,759 (2021 : £218,817).

20 Related party transactions

The Company is a wholly owned subsidiary of Ibstock Plc as at 31 December 2022, 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 10 and note 11.

21 Ultimate controlling party

At the year ended 31 December 2022, the company's immediate parent undertaking 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.

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

These financial statements are available 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 Supreme Concrete Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Supreme Concrete Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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:

- the Income Statement;
- the Statement of Financial Position;
- the 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.

Independent auditor's report to the members of Supreme Concrete Limited (continued)

Responsibilities of directors
As explained more fully in the statement of directors' responsibilities, 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 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 and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our procedures performed to address it are described below:
Revenue recognition, rebates, which are often complex in nature, with different types of rebates being offered to each customer, with the nature of those rebates differing across different product ranges. The procedures performed to address the significant risk included:

- obtaining an understanding of the relevant controls over the revenue recognition process;
- Performing a year-on-year analysis of revenue and rebates to understand material changes in the rebate provision at a customer level;
- selecting a sample of customer rebate agreements, inspecting the terms and dates, and recalculating selected rebates;
- identifying the largest customers and requesting a sample of written confirmations;
- assessing the completeness of rebates and evaluating credit notes raised during 2022 and post year end; and
- agreeing a sample of rebates to settlement post year end.

Independent auditor's report to the members of Supreme Concrete Limited (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)
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
23 June 2023