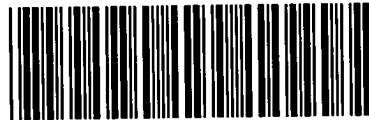


Company Registration No. 03186042 (England and Wales)

SHEARD PROPERTIES LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2024

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SHEARD PROPERTIES LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | J S Whittaker B Whittaker |
| Secretary | B Whittaker |
| Company number | 03186042 |
| Registered office | Solar Works Calder Street Greetland Halifax West Yorkshire HX4 8AQ |
| Auditor | Watson Buckle Limited Chartered Accountants & Registered Auditors York House Cottingley Business Park Bradford BD16 1PE |
| Business address | Solar Works Calder Street Greetland Halifax West Yorkshire HX4 8AQ |

SHEARD PROPERTIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2024

The directors present the strategic report for the year ended 30 April 2024.

Principal activity

The principal activity of the company during the year continued to be that of a holding company and property holding company.

Fair review of the business

During the period the company received £5m (2023: £9.5m) of dividends from its subsidiary company. Rental income grew in the year to £1.32m (2023: £1.21m). The company's profit before tax for the period was £6.67m (2023: £10.58m).

The company finished the year with cash at bank and in hand of £13.84m (2023: £13.35m) and net assets of £23.45m (2023: £22.45m).

Principal risks and uncertainties

The board recognises the general, commercial and financial risks that need to be managed.

We aim to ensure our business is as resilient as it can be to general risks such as economic conditions, political, regulatory and legislative changes by supporting our internal policies and procedures with external professional advice.

Future developments

The company's overriding future plans are to continue with the rental of the property.

Environmental matters

The company is conscious of complying with legislation surrounding environmental matters and monitors this closely.

Energy and carbon reporting

The energy and carbon reporting disclosures for the company are included within the The Sheard Group Ltd strategic report as they have taken the subsidiary exemption and therefore are not obliged to include the information in this report.

S172 statement

Sheard Properties Limited and its board of directors are committed to promoting the success of the company for the benefit of its stakeholders, including; shareholders; employees; customers; suppliers; and the community. The company endeavours to act in an equitable manner between its stakeholders, it does this by seeking to understand different stakeholders' viewpoints and then considering them in its decision making. Underlying this commitment is the company's desire to maintain a reputation for high standards of business conduct. A more detailed description of the actions in respect of these responsibilities can be found in the strategic report of The Sheard Group Limited, the parent of the group of which this entity is a member.

On behalf of the board



B Whittaker

Director

Date: 29/8/24

SHEARD PROPERTIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2024

The directors present their annual report and financial statements for the year ended 30 April 2024.

Principal activities

The principal activity of the company is disclosed in the Strategic Report.

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £5,227,225. The directors do not recommend payment of a further dividend.

Directors

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

J S Whittaker
B Whittaker

Auditor

The auditor, Watson Buckle Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of Energy and carbon reporting and future developments.

Statement of disclosure to auditor

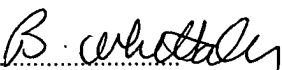
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves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

Financial risk management objectives and policies

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the company's exposure to fluctuating interest rates, and match the repayment schedule of any external borrowings or overdrafts with the future cash flows expected to arise from the company's trading activities.

The company makes use of operational UK bank accounts and short term borrowing facilities if required. Its exposure to price risk, credit risk, liquidity risk and cash flow risk is minimised by retaining sufficient liquid funds to enable it to meet its day to day requirements.

On behalf of the board



B Whittaker
Director

Date: 29/8/24

SHEARD PROPERTIES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 APRIL 2024

The directors are responsible for preparing the Strategic Report and the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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;
- 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEARD PROPERTIES LIMITED

Opinion

We have audited the financial statements of Sheard Properties Limited (the 'company') for the year ended 30 April 2024, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor'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 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 director's 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 original financial statements were 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEARD PROPERTIES LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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.

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:

In planning and designing our audit tests, we identify and assess the risks of material misstatement within the financial statements, whether due to fraud or error. Our assessment of these risks includes consideration of the nature of the industry and sector, the control environment and the business performance along with the results of our enquiries of management, about their own identification and assessment of the risks of irregularities. We are also required to perform specific procedures to respond to the risk of management override.

Following this assessment we considered the opportunities and incentives that may exist within the company for fraud and identified the greatest potential for fraud in evaluating the tangible assets and investments.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, through discussions with directors and other management, and from our commercial knowledge and experience of the sector in which the company operates, to enable us to identify the key laws and regulations applicable to the company. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SHEARD PROPERTIES LIMITED (CONTINUED)

We then performed audit procedures after consideration of the above risks which included the following:

- evaluating the appropriateness and consistency of the depreciation policies applied;
- physical verification of fixed assets and re-calculation of useful economic lives and depreciation policies;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- evaluating the carrying amount of investments for potential impairment and reviewing management's underlying assumptions in assessing the carrying amount;
- enquiring of management concerning actual and potential litigation and claims;
- reviewing correspondence with HMRC, and the company's legal advisors;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

All engagement team members were informed of the relevant laws and regulations and potential fraud risks at the planning stage and reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify such items.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Mark Wilcock FCA (Senior Statutory Auditor)
For and on behalf of Watson Buckle Limited,
Chartered Accountants & Registered Auditors
York House
Cottingley Business Park
BD16 1PE

Date ...29/5/24...

SHEARD PROPERTIES LIMITED

INCOME STATEMENT

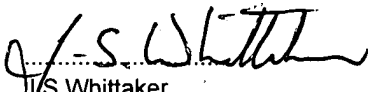
FOR THE YEAR ENDED 30 APRIL 2024


| | | year ended 30 April 2024 £ | Year ended 30 April 2023 £ |
|--|--------------|---|---|
| Administrative expenses | Notes | (289,985) | (220,068) |
| Other operating income | | 1,323,000 | 1,205,055 |
| Operating profit | 5 | 1,033,015 | 984,987 |
| Interest receivable and similar income | 6 | 5,633,966 | 9,595,599 |
| Profit before taxation | | 6,666,981 | 10,580,586 |
| Tax on profit | 7 | (434,829) | (281,437) |
| Profit for the financial year | | <u>6,232,152</u> | <u>10,299,149</u> |

SHEARD PROPERTIES LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 APRIL 2024**

| | Notes | 2024 | | 2023 | |
|---|-------|-------------------|-------------------|-------------------|-------------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 9 | | 5,990,369 | | 6,006,580 |
| Investments | 10 | | 4,000,000 | | 4,000,000 |
| | | | <u>9,990,369</u> | | <u>10,006,580</u> |
| Current assets | | | | | |
| Debtors | 12 | 709,592 | | 59,381 | |
| Cash at bank and in hand | | 13,836,058 | | 13,348,488 | |
| | | <u>14,545,650</u> | | <u>13,407,869</u> | |
| Creditors: amounts falling due within one year | 13 | (553,766) | | (435,318) | |
| Net current assets | | | <u>13,991,884</u> | | <u>12,972,551</u> |
| Total assets less current liabilities | | | <u>23,982,253</u> | | <u>22,979,131</u> |
| Provisions for liabilities | 14 | | (531,562) | | (533,367) |
| Net assets | | | <u>23,450,691</u> | | <u>22,445,764</u> |
| Capital and reserves | | | | | |
| Called up share capital | 17 | | 100 | | 100 |
| Share premium account | 18 | | 19 | | 19 |
| Capital redemption reserve | 18 | | 33,333 | | 33,333 |
| Profit and loss reserves | 18 | | 23,417,239 | | 22,412,312 |
| Total equity | | | <u>23,450,691</u> | | <u>22,445,764</u> |

The financial statements were approved by the board of directors and authorised for issue on 29/8/24 and are signed on its behalf by:


 J/S Whittaker
 Director


 B Whittaker
 Director

SHEARD PROPERTIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2024

| | Notes | Share capital £ | Share premium account £ | Capital redemption reserve £ | Profit and loss reserves £ | Total £ |
|------------------------------------|-------|--------------------|----------------------------|---------------------------------|-------------------------------|-------------|
| Balance at 1 May 2022 | | 100 | 19 | 33,333 | 16,680,663 | 16,714,115 |
| Year ended 30 April 2023: | | | | | | |
| Profit for the year | | - | - | - | 10,299,149 | 10,299,149 |
| Dividends | 8 | - | - | - | (4,567,500) | (4,567,500) |
| Balance at 30 April 2023 | | 100 | 19 | 33,333 | 22,412,312 | 22,445,764 |
| Period ended 30 April 2024: | | | | | | |
| Profit for the year | | - | - | - | 6,232,152 | 6,232,152 |
| Dividends | 8 | - | - | - | (5,227,225) | (5,227,225) |
| Balance at 30 April 2024 | | 100 | 19 | 33,333 | 23,417,239 | 23,450,691 |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2024

1 Accounting policies

Company information

Sheard Properties Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Solar Works, Calder Street, Greetland, Halifax, West Yorkshire, HX4 8AQ.

The company's principal activities and nature of its operations are disclosed in the Strategic report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the large and medium sized companies and groups (Accounts and Reports Regulations) 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosures

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- The requirements of Section 7 Statement of Cash Flows.
- Section 3 Financial Statement Presentation paragraph 3.17(d).
- The requirement of Section 33 Related Party Disclosures paragraph 33.7 to disclose key management personnel compensation and the requirements to disclose transactions with wholly owned group companies.

The financial statements of the company are consolidated in the financial statements of The Sheard Group Limited. These consolidated financial statements are available from its registered office, Solar Works, Calder Street, Greetland, Halifax, United Kingdom.

Going concern

The directors have concluded that it is appropriate to prepare the accounts on a going concern basis as the company has adequate cash resources and financial projection to indicate that the company will continue to trade within its existing bank facilities.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

| | |
|----------------------------------|----------------------|
| Freehold buildings | 2% straight line |
| Fixtures, fittings and equipment | fully written down |
| Motor vehicles | 25% reducing balance |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

1 Accounting policies (Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Freehold land is not depreciated.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial instruments

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

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include bank balance and amounts owed by group undertakings, are initially measured at transaction price including transaction costs.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings and accruals, are initially recognised at transaction price.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

1 Accounting policies (Continued)

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Company properties

The directors have considered the company's properties in light of FRS102 and do not consider that any properties meet the definition of an investment property as all are used in the group, of which this company is a member, trading activities.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Useful economic lives of property, plant and equipment

The annual depreciation charge for tangible assets and their carrying amount is determined by the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually and amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The net carrying amount is £5,990,369 (2023: £6,006,580).

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

3 Employees

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

| | 2024 Number | 2023 Number |
|----------------------|----------------|----------------|
| Administrative staff | 3 | 3 |

Their aggregate remuneration comprised:

| | 2024 £ | 2023 £ |
|-----------------------|---------------|---------------|
| Wages and salaries | 25,398 | 26,957 |
| Social security costs | 3,997 | - |
| Pension costs | 44,060 | - |
| | <u>73,455</u> | <u>26,957</u> |

4 Directors' remuneration

| | 2024 £ | 2023 £ |
|--------------------------------------|---------------|---------------|
| Remuneration for qualifying services | <u>37,084</u> | <u>26,566</u> |

5 Operating profit

| | 2024 £ | 2023 £ |
|---|----------------|----------------|
| Operating profit for the period is stated after charging: | | |
| Fees payable to the company's auditor for the audit of the company's financial statements | 4,050 | 3,750 |
| Depreciation of owned tangible fixed assets | <u>178,961</u> | <u>143,119</u> |

6 Interest receivable and similar income

| | 2024 £ | 2023 £ |
|--|------------------|------------------|
| Interest income | | |
| Interest on bank deposits | 633,966 | 95,599 |
| Income from fixed asset investments | | |
| Income from shares in group undertakings | <u>5,000,000</u> | <u>9,500,000</u> |
| Total income | <u>5,633,966</u> | <u>9,595,599</u> |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

7 Taxation

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Current tax | | |
| UK corporation tax on profits for the current period | 436,634 | 53,981 |
| Deferred tax | | |
| Origination and reversal of timing differences | (1,805) | 227,456 |
| Total tax charge | <u>434,829</u> | <u>281,437</u> |

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

| | 2024 £ | 2023 £ |
|--|--------------------|--------------------|
| Profit before taxation | <u>6,666,981</u> | <u>10,580,586</u> |
| Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2023: 19.49%) | 1,666,745 | 2,062,156 |
| Tax effect of expenses that are not deductible in determining taxable profit | 76 | 3,529 |
| Group relief | (4,420) | (322) |
| Permanent capital allowances in excess of depreciation | 22,428 | 17,488 |
| Tax at marginal rate | - | 334 |
| Remeasurement of deferred tax for changes in tax rates | - | 50,101 |
| Group income | <u>(1,250,000)</u> | <u>(1,851,849)</u> |
| Taxation charge for the period | <u>434,829</u> | <u>281,437</u> |

Corporation tax is calculated at 25% (2023 - 19.49%) of the profit for the year. The Finance Act 2021 which was substantively enacted on 24 May 2021 created a 25% main rate, 19% small profits rate and a marginal rate which is effective from 1 April 2023. Deferred tax balances at the year-end have been measured at 25% (2023: 25%) which is the rate that the deferred tax liabilities are expected to crystallise.

8 Dividends

| | 2024 Per share £ | 2023 Per share £ | 2024 Total £ | 2023 Total £ |
|------------------------|------------------------|------------------------|--------------------|--------------------|
| Ordinary shares | | | | |
| Final paid | <u>52,272.25</u> | <u>45,675.00</u> | <u>5,227,225</u> | <u>4,567,500</u> |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

9 Tangible fixed assets

| | Freehold buildings | Fixtures, fittings and equipment | Motor vehicles | Total |
|------------------------------------|-----------------------|--|-------------------|-----------|
| | £ | £ | £ | £ |
| Cost | | | | |
| At 1 May 2023 | 7,422,239 | 7,506 | - | 7,429,745 |
| Additions | - | - | 162,750 | 162,750 |
| At 30 April 2024 | 7,422,239 | 7,506 | 162,750 | 7,592,495 |
| Depreciation and impairment | | | | |
| At 1 May 2023 | 1,415,659 | 7,506 | - | 1,423,165 |
| Depreciation charged in the year | 148,445 | - | 30,516 | 178,961 |
| At 30 April 2024 | 1,564,104 | 7,506 | 30,516 | 1,602,126 |
| Carrying amount | | | | |
| At 30 April 2024 | 5,858,135 | - | 132,234 | 5,990,369 |
| At 30 April 2023 | 6,006,580 | - | - | 6,006,580 |

10 Fixed asset investments

| | Notes | 2024 £ | 2023 £ |
|-----------------------------|-------|-----------|-----------|
| Investments in subsidiaries | 11 | 4,000,000 | 4,000,000 |

Movements in fixed asset investments

| | Shares in group undertakings £ |
|-------------------------------|---|
| Cost | |
| At 1 May 2023 & 30 April 2024 | 4,000,000 |
| Carrying amount | |
| At 30 April 2024 | 4,000,000 |
| At 30 April 2023 | 4,000,000 |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

11 Subsidiaries

Details of the company's subsidiaries at 30 April 2024 are as follows:

| Name of undertaking | Registered office | Nature of business | Class of shares held | % Held Direct |
|-------------------------|-------------------|--------------------------------|----------------------|---------------|
| S. Sheard & Son Limited | 1) | Corrugated carton manufacturer | Ordinary | 100.00 |

1) Solar Works, Calder Street, Greetland, Halifax, West Yorkshire, HX4 8AQ.

12 Debtors

| | 2024 £ | 2023 £ |
|---|----------------|---------------|
| Amounts falling due within one year: | | |
| Corporation tax recoverable | - | 59,381 |
| Amounts owed by group undertakings | 538,610 | - |
| Prepayments and accrued income | 170,982 | - |
| | <u>709,592</u> | <u>59,381</u> |

13 Creditors: amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 3,480 | - |
| Amounts owed to group undertakings | - | 324,325 |
| Corporation tax | 436,634 | - |
| Other taxation and social security | 65,670 | 47,414 |
| Other creditors | 40,919 | 50,781 |
| Accruals and deferred income | 7,063 | 12,798 |
| | <u>553,766</u> | <u>435,318</u> |

14 Provisions for liabilities

| | Notes | 2024 £ | 2023 £ |
|--------------------------|-------|----------------|----------------|
| Deferred tax liabilities | 15 | 531,562 | 533,367 |
| | | <u>531,562</u> | <u>533,367</u> |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

| | Liabilities 2024 £ | Liabilities 2023 £ |
|--------------------------------|-----------------------------------|-----------------------------------|
| Balances: | | |
| Accelerated capital allowances | 398,659 | 400,464 |
| Capital gains | 132,903 | 132,903 |
| | <u>531,562</u> | <u>533,367</u> |
| | | 2024 £ |
| Movements in the year: | | |
| Liability at 1 May 2023 | | 533,367 |
| Credit to profit or loss | | (1,805) |
| | | <u>531,562</u> |
| Liability at 30 April 2024 | | <u>531,562</u> |

The deferred tax liability set out above is expected to reverse over the life of the assets and relates to accelerated capital allowances that are expected to mature within the same period and gains on property valuations not yet realised.

16 Retirement benefit schemes

| | 2024 £ | 2023 £ |
|---|-------------------|-------------------|
| Defined contribution schemes | | |
| Charge to profit or loss in respect of defined contribution schemes | 44,060 | - |
| | <u>44,060</u> | <u>-</u> |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

| | 2024 Number | 2023 Number | 2024 £ | 2023 £ |
|---|------------------------|------------------------|-------------------|-------------------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of £1 each | 100 | 100 | 100 | 100 |
| | <u>100</u> | <u>100</u> | <u>100</u> | <u>100</u> |

Ordinary shares have full voting, capital and distribution rights.

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2024

18 Profit and loss reserves

Share premium

Consideration received for shares issued above their nominal value.

Capital redemption reserve

The nominal value of shares cancelled at the end of the reporting period.

Profit and loss reserves

Profit and loss reserves represent earnings net of distribution to the owners.

19 Operating lease commitments

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments:

| | 2024 | 2023 |
|-----------------|-----------|-----------|
| | £ | £ |
| Within one year | 1,386,000 | 1,320,000 |

SHEARD PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2024

20 Related party transactions

Included within other creditors is an amount of £25,294 (2023: £36,155) owed to the directors. During the year, the company paid expenses on behalf of the directors of £10,861.

Included within other creditors is an amount of £15,625 (2023: £14,625) owed to close family members. During the year, cash was introduced of £1,000.

Both balances are interest free.

21 Ultimate controlling party

The immediate and ultimate parent company continued to be that of The Sheard Group Ltd, a company incorporated in England and Wales. Copies of the smallest and largest accounts which this company is consolidated into can be obtained from its registered office, Solar Works, Calder Street, Greetland, Halifax, United Kingdom.

The ultimate controlling party is J and B Whittaker by virtue of their shareholding in The Sheard Group Ltd.