

Brandsby Agricultural Trading Association

Annual Report and Financial Statements

For the year ending 30 September 2025



SOCIETY INFORMATION

| | | | |
|--------------------------|---|----------------|--------------------|
| Registered number | IP03289R | Bankers | Barclays Bank |
| Registered office | Main Street Amotherby Malton North Yorkshire YO17 6TA | | Malton YO17 0AE |
| Auditor | Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors York House Northallerton North Yorkshire DL6 2XQ | | |

CONTENTS

- i A Statement from our Chairman
- ii A message from our CEO
- iii Our Membership
- iv Our Communities
- v Our People
- vi-vii Key Financial Data
- viii Your Board of Directors
- 1 Notice of the Annual General Meeting
- 2-6 Directors' Report
- 7 Directors' Responsibilities Statement
- 8-11 Independent Auditors' Report
- 12 Consolidated Income Statement
- 13 Consolidated Statement of Comprehensive Income
- 14-15 Consolidated Statement of Financial Position
- 16-17 Society Statement of Financial Position
- 18 Consolidated Statement of Changes in Equity
- 19 Society Statement of Changes in Equity
- 20 Consolidated Statement of Cash Flows
- 21-45 Notes to the Financial Statements

A STATEMENT FROM OUR CHAIRMAN

Dear Fellow Members,

I am pleased to present our annual directors' report and financial statements for the Society for the year ending 30th September 2025. As I highlighted in the autumn newsletter, our key objective has continued to be the implementation of our strategy to properly structure and resource our business so as it prioritises a safe working environment, becomes financially stronger, fulfil its core purpose of returning value to members and properly rewards our staff colleagues. We have set ourselves a very high bar; we are not just aiming to be a better version of what we were, we want to be at the forefront of agricultural cooperative achievement, innovation and ambition. Your Board are fixated on driving up the value of membership both in terms of offering best value and obvious choice products and services but also by recognising and providing means of enhancing and strengthening your business alongside ours.

We are building on a significant heritage of service to members across Yorkshire and Lancashire and our aim is to be more and more aware of what you need and how we can move to lever the advantage to you of trading with your cooperative. To work alongside you we have the enviable benefit of an enthusiastic, extremely hard working and knowledgeable team of staff colleagues all of whom work on the basis that in our business no interaction with a member or customer is only ever going to be transactional. We will remain thoroughly commercial in our approach to trade but simply so that financial success will allow us to re-invest in the business, return value to members by means of share bonus and reward our staff colleagues appropriately. It is always worth highlighting that none of the profit from our business slips away to outside shareholders or institutions.

We have a constant process of evaluating, improving and monitoring outcomes in all areas of the business and the Board are recognising individuals and teams rising to new challenges and delivering successful outcomes far beyond expectations. Personally, I wish I could transmit to you in this report the sense positivity and commitment which is now all too apparent in every conversation and meeting across the entire business.

In financial terms the last year has been one of consolidation and close examination of every aspect of our commercial activities. Detailed analysis is provided elsewhere but needless to say the Board is pleased to see us return to a more historically normal level of profit, particularly considering the background economic situation remains extremely challenging in many areas. We appreciate that there may be the occasional pot hole in the road ahead but I can assure you that robust financial foundations are being laid for a really substantive programme of growth and we look forward to sharing more about this over the year ahead.

As your Chairman, I am honoured to be leading the business through this extremely transformative stage in its history and I am grateful to my fellow directors and the all staff colleagues for their continuing support and commitment to the work in progress. As your Board, we are keen to have your feedback – both good and bad – to help us to shape the business in future. We do want to know more about your business so we can build as many useful and profitable partnerships as possible.

Thank you for your support and custom over the last year. I wish your every success in the year ahead.



Stephen M. Greenfield MRICS
Chairman
12th January 2025

A MESSAGE FROM OUR CEO

Dear Member,

I write this as a foreword to our accounts pack relating to year 2024-2025, as we enter 2026 BATA is on an improving curve from where it was twelve months ago. Financially we have stabilised things by concentrating on operational improvements, waste in all its forms and most importantly by strengthening our teams across what we do. We have reviewed our pay structures and no longer have any colleagues on the minimum wage. We have reset our approach to health and safety with clearer channels of communication and faster corrective actions. We continue to invest in all our core activities.

In feed we are focused on our consolidation to one mill in March, in fuel we are changing how we interact with customers and are increasing our delivery capability, and in retail we are focusing on how we attract more customers and how we manage stock. In general farm sales we are thinking how we can be more proactive with customers, anticipating requirements rather than reacting to them. Web sales are increasingly important to us, and we have plans to service these more effectively.

I would very much encourage you to attend our AGM on Friday 13 February when we will go into more detail as to how we plan to develop things this year. For those of you unable to attend we will be circulating a summary to all members after the event.

We are optimistic about 2026 and beyond, we have some significant projects in play and will continue to drive things with you our members, our customers and our colleagues at the forefront of our plans.

Colin Bailey
CEO
12th January 2025

OUR MEMBERSHIP

We have

2,941

members.

Down from
2,982 in
previous yr.



We welcomed

21

new members.

We had 62
closed accounts
in 24/25.



Funds distributed to members

£331,344

by us this financial year.



Down from
£552,982 in
previous yr.



OUR COMMUNITIES



This year we partnered with the Farming Community Network to do our part for **mental health in farming.**

The Farming Community Network are a voluntary organisation and charity that supports farmers and families within the farming community. BATA have agreed a sponsor partnership with the FCN in order to help them to continue supporting our vital farming community. Each year the FCN help thousands of people to explore their options, navigate change and find a positive way forward.

As part of our partnership, all of our key staff will receive training from the FCN.



We sponsored
144
local events.

From Ruswarp to Thirsk, and Malton market all year round, we sponsored well over 100 local markets and events.



We held
10
educational events.

From rodenticide training, to alternative feed meetings and mill tours for Young Farmers. We're proud to provide our members with opportunities to expand their rural knowledge.

We exhibited at

8

tradeshows and markets.

From Malton Market, to Wombleton Sheep Sale and everything in between.



OUR PEOPLE

We held a group-wide social with

300+

attendees, building one unified team.



Health & Safety submissions at

173

These came within the first 252 days of our new reporting system going live.



We trained

31

new first aiders.

Making our workplace safer than ever for our team has been a high priority for us this year. So we trained 31 new first aiders to do just that.



Proud to pay all our staff atleast

6%

above the new National Living Wage for 2026.

Staff bonuses equated to

£196k

This financial year.

Avg. headcount stayed at

315

people on our team.



TRADING PERFORMANCE

TURNOVER SPLIT

| | | | | |
|------|----------------|----------------|------------------|------------------|
| 2025 | £49.5M FEED | £40.0M FUEL | £32.4M RETAIL | £121.9M TOTAL |
| 2024 | £49.5M FEED | £45.0M FUEL | £33.2M RETAIL | £127.7M TOTAL |

TRADING SURPLUS

*Trading surplus before tax and exceptional items.

Profits
This Year

£2.3M

UP 

Profits
Last Year

£0.7M

£1.6M

PERSONNEL COSTS

| | |
|------|--------|
| 2025 | £11.5M |
| 2024 | £10.7M |

CASH BALANCE

| | |
|------|-------|
| 2025 | £8.8M |
| 2024 | £8.3M |



KEY FINANCIAL DATA

VOLUME KPIs



⬇️ FUEL PERFORMANCE

| | | |
|---|--------------|--|
| Fuel Volumes (litres) This Year | 51.8M | -4.6M Down 8.0% vs prior year. |
| Fuel Volumes (litres) Last Year | 56.4M | |

*Volume down due to very short harvest and turnaround of autumn crops.

⬆️ FEED PERFORMANCE

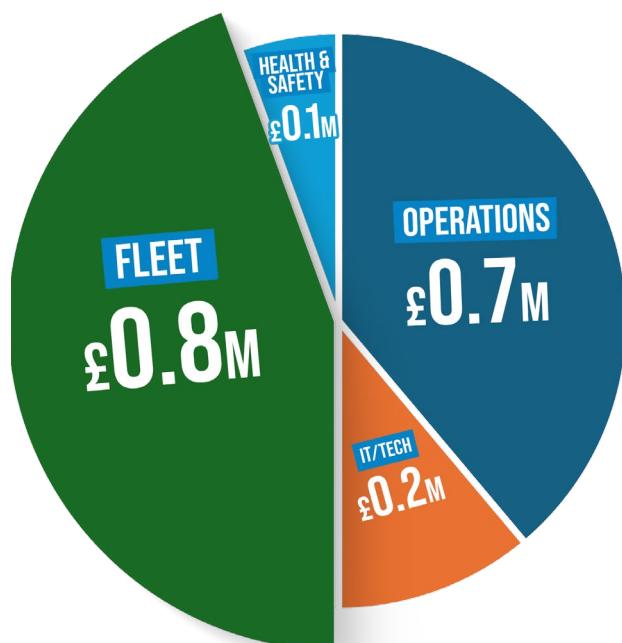
| | | |
|---|----------------|--|
| Feed Volumes (tonnes) This Year | 168,350 | 5,123 Up 3.0% vs prior year. |
| Feed Volumes (tonnes) Last Year | 163,227 | |

*Volumes have remained stable, including some changes in species mix.

⬇️ RETAIL PERFORMANCE

| | | |
|----------------------------------|---------------|---|
| Retail Sales This Year | £32.4M | -£0.8M Down 2.0% vs prior year. |
| Retail Sales Last Year | £33.2M | |

*Comparable sales in a tough retail market.



CASH SPENT ON INVESTMENT

Capital expenditure during the year included investment in the fleet, with the acquisition of two new oil tankers to support fuel growth; investment in IT systems to improve reporting efficiency; various health and safety projects; and significant investment in the Murton mill to enhance milling processes.

YOUR BOARD OF DIRECTORS



Stephen M. Greenfield MRICS Chairman

Stephen Greenfield is a Chartered Surveyor and CEO of Sledmere Estate on the Yorkshire Wolds where he has responsibility for farming, property, leisure and hospitality businesses. He has 40 years experience of farm and estate business management and has had leadership roles in many rural organisations; including as Chairman of another agricultural cooperative. He also runs his own small mixed farm in the Vale of Pickering.



Charles Brader Vice Chairman

Charles Brader has had a long career in the agricultural sector, with experience across arable, sheep and livestock enterprises, diversification, and leadership at board level. He is a former Chairman and current Vice Chairman of the BATA Group.



Judy Richmond

Judy Richmond is a Chartered Surveyor and Senior Estate Manager for the National Trust in the North of England. She has extensive governance experience, long standing ties to BATA through her farming background and she continues to run a small flock of sheep.



Richard Butterworth

Richard Butterworth is an East Yorkshire farmer and pig industry leader with decades of experience, serving as a BATA Board Director and chairman of the Finance & Audit Committee. Also former Chairman of Scotlean pigs and a current representative on the SAOS Council.



Richard Murray Wells

Richard Murray Wells is a rural entrepreneur and farmer, with a background as a Chartered Surveyor and extensive experience building and leading businesses across agriculture, property and hospitality.



Johnathan Bulmer

Johnathan Bulmer is an experienced entrepreneur and farmer, with a background in founding, developing and leading major transport and container businesses, alongside managing a diversified farming operation in North Yorkshire.



Dorothy Fairburn Secretary of the Society

Dorothy Fairburn, former Regional Director for the CLA in the North of England, brings extensive rural and membership experience to the role.

NOTICE OF THE ANNUAL GENERAL MEETING

For the Year Ended 30 September 2025

Notice is hereby given that the Annual General Meeting will be held at Sandburn Hall, Flaxton, York, YO60 7RB on the 13 February 2026, with arrival from 9:30am for a 10:00am start.

If you are a member and wish to attend this meeting please visit bit.ly/AGMBATA26 or email marketing@bataltd.co.uk with your membership name and address. Any questions must be received in writing at the Head Office address (BATA Ltd, Amotherby, Malton, YO17 6TA or by email to secretary@bataltd.co.uk) 7 days before the meeting takes place, addressed to The Secretary.

Agenda

1. Apologies
2. Minutes of the previous Annual General Meeting, held on 13 February 2025
3. Report and Statement of Accounts for the year ended 30 September 2025
4. Election of Directors
5. Election of Auditors
6. Any other business

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

D Fairburn
Secretary of the Society
Date: **12/01/2026**



DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

The Board of Directors present their report and the financial statements for the year ended 30 September 2025.

This year's consolidated financial report details BATA and its subsidiaries.

Fair review of business

The principal activities of Brandsby Agricultural Trading Association continue to be the trading, storage, manufacture of agricultural commodities and feed stuffs, retailing of agricultural and country lifestyle products and the sale and distribution of domestic and commercial oils and gases. These activities originate from BATA's founding as a co-operative of farmer members in 1894.

Health and safety continues to be the business's number one priority, as reflected in the ongoing investment in systems, training and support.

The Group growth strategy continues to be based primarily on organic growth in its feed, retailing and fuel divisions. The business maintains its commitment to invest in Health and Safety, improvements to plant and machinery and its digital platform which will support both existing business and will expand the Group's profile on-line.

The business's environmental focus has led to significant investments in people and systems to support carbon measurement and help to identify appropriate actions plans to deliver sustainable reductions in carbon usage.

Post Balance Sheet events

Shortly after the year end, the Group disposed of the grain drying facility at Pocklington, as this was not part of the core business. This generated a profit on sale and a strong cash return.

After the year end it was also announced that manufacturing of animal feed would cease at the Amotherby Mill, with the volume being transferred to the manufacturing facility at Murton. This will have a positive impact on the profitability of the Group, but will incur some one off costs, including redundancies.



DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2025

Development and performance

In the year to 30 September 2025, revenues of £121.9m were generated by the Group, which represents a 4.6% decrease on 2024. The primary reduction in revenue was the falling price for commodities in the feed businesses, which actually drove volume growth across the group. The retail business was stable but fuel volumes were down due to the impact of the hot summer.

Despite the inflationary environment and the significant investment in people, expenses showed a year on year reduction of 8.8%. Some of this saving is transitional as the leadership of the business is reshaped as part of the new Strategy for the Group.

The Group delivered a surplus before tax and exceptional charges of £2.3m, up from £0.7m in 2024.

The Group generated cash from its operating activities of £2.3m during the year. Following capital expenditure of £1.9m the Group has cash on the Balance Sheet of £8.8m and is debt free.

In consideration of the financial results reported, your directors recommend that all qualifying purchases for the year reflect a 2% bonus, and the further qualifying purchases of BATA own brand manufactured compound feed is paid at £2 per ton. We are also pleased to recommend that 1.5% will be paid out this year in respect of interest on share capital.

The resultant proposed distribution is as follows:

| | |
|---|----------|
| Interest on Share Capital | £149,000 |
| Bonus on Qualifying Purchases and BATA Compound Feeds | £347,000 |
| Staff Bonuses | £196,000 |

Members who wish to transfer their interest and bonus into their share capital account need take no further actions. Those members who wish to receive payment should complete a withdrawal request form and return it to the Amotherby address before 13 February 2026. Share interest and bonus amounts totalling less than £10 are not repayable and will be credited to the Member's share account. Additionally, Members may receive payment only upon their account maintaining the minimum shareholding of £100. Share statements and payment of interest and bonus where requested will be distributed on 28 February 2026.

We again thank those Members who reinvest their interest and bonus with BATA and are pleased to report once again the majority of last year's interest and bonus was reinvested.

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Principal risks and uncertainties

The business's operations expose it to a variety of financial risks as discussed below. The business has a risk management programme that seeks to limit the adverse effect of such risks on financial performance.

The principal risks and uncertainties affecting the business include the following:

Macro-economic uncertainties

The business operates in an environment impacted by an increasingly complex set of external factors. Economic uncertainties, including the ongoing cost of living crisis and inflation, and geographic factors combine to create an unpredictable trading environment, which could negatively impact performance.

The business continually monitors external economic lead indicators and liaises with external parties, including key stakeholders, in order to ensure that forecasts and Board decisions are based on the latest market outlook.

Price risk

The business is exposed to commodity price risk as a result of its operations. Commodity prices are continually monitored and proactively managed at both an operational management level and through the procurement function to ensure that selling prices are quickly adjusted to mitigate the risk to earnings.

Credit risk

The business has implemented a policy that requires credit checks on potential customers before sales are made, in line with the terms of its credit insurance. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed regularly by the finance team.

Each of our directors acts in the way he or she considers, in good faith, would promote the success of the business for the benefit of its members as a whole. The directors have taken into consideration, amongst other matters:

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

The Board acknowledges that every decision it makes will not necessarily result in a positive outcome for all of the cooperative's stakeholders. By considering the business's purpose, vision and values, together with its strategic priorities and having a process in place for decision making the Board does, however, aim to make sure that its decisions are consistent.

Directors

The directors who served during the year were:

| | |
|----------------------|----------------|
| S M Greenfield MRICS | J Richmond |
| R Butterworth | J Bulmer |
| A C Brader | R Murray Wells |

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Business relationships

Stakeholder engagement

The Board believes that considering our stakeholders in key business decisions is not only the right thing to do but is fundamental to our ability to drive value creation. The Board seeks to understand the respective interest of such stakeholder groups through various methods, including direct engagement by Board members; receiving of reports and updates from members of management who engage with such groups; and coverage in our Board papers of relevant stakeholder interests with regard to proposed courses of action. The directors consider the following to be the business's key stakeholders:

Employees

The strength of our business is built on the hard work and dedication of our employees. The Board recognises that the implementation of an effective people strategy and strong culture underpin the effective delivery of the business strategy.

Employees are kept informed of performance and strategy through regular presentations and updates from CEO and members of the senior leadership team. These updates are further supported by newsletters and management briefings.

Key focus of the Board includes employee health and well-being, personal development, pay and benefits.

Customers

The profitability of the business is underpinned by providing effective partnerships with customers to understand their needs and requirements. In recognition of this, a core principle of the business is to be customer centric, building relationships and engaging at a local and national level, providing a high level of service through the expert knowledge of our employees and ensuring quality products and services.

The Board receives regular updates on customer opinions, behaviour and feedback. The insight received is used to inform decision making, understand customer needs and views in order to improve our offer and service for them.

Suppliers

The Board recognised that relationships with suppliers are important to the Group's long-term success and is briefed on supplier feedback and issues on a regular basis. The Board seeks to balance the benefit of maintaining these strong relationships along with the need to obtain value for money for our shareholders and desired quality and service levels for our customers. Engagement with suppliers is primarily through our Group procurement function. Key areas of focus include innovation, product development, health and safety and sustainability.

Communities

The Board supports the initiative with regards to reducing the adverse impacts of the environment and engages with the communities in which we operate. Key areas of focus include how we can support local causes and issues, create opportunities to recruit and develop local people and help to look after the environment. We partner with local charities at a site level to raise awareness and funds. The key issues and themes across local communities are reported back to the Board.

Government and regulations

We engage with the government and regulators through a range of industry consultations, forums, and meetings to communicate our views to policy makers relevant to our business. Key areas of focus are compliance with laws and regulations, health and safety and product safety. The Board is updated on legal and regulatory developments and takes these into account when considering future actions.

Members

The business relies on our member shareholders and providers of funding as essential sources of capital to further our business objectives. Member involvement in the decision-making processes is via their elected and appointed directors on the Board.

DIRECTOR'S REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2025

Future Developments

The business remains focused on a strategy to grow the business with the cooperative ethos at its core. An entirely new Board of experienced directors have been appointed and the senior leadership team is being strengthened and led by Colin Bailey.

Disclosure of information to auditors

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

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

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

S M Greenfield MRICS

Chairman

12 January 2026



DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2025

The directors are responsible for preparing the director's report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Co-operative and Community Benefit Societies Act 2014 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and of the surplus or deficit for the year.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 21 to 45, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with The Co-operative and Community Benefit Societies Act 2014. The directors are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRANDSBY AGRICULTURAL TRADING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Brandsby Agricultural Trading Association Limited (the 'parent Society') and its subsidiaries (the 'Group') for the year ended 30 September 2025, which comprise , the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Society Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Society Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Society's affairs as at 30 September 2025 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRANDSBY AGRICULTURAL TRADING ASSOCIATION LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-Operative and Community Benefit Societies Act 2014 requires us to report you if, in our opinion:

- the society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- The revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRANDSBY AGRICULTURAL TRADING ASSOCIATION LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to the group and parent society and the industry in which it operates and considered the risk of acts by the group and parent society that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations, relevant to the group and parent society, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of society's minutes and both legal and consultancy expenses. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Use of our report

This report is made solely to the society's members, as a body, in accordance with Section 87 of the Co-Operative and Community Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 society and the society's members as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRANDSBY AGRICULTURAL TRADING ASSOCIATION LIMITED (CONTINUED)



Simon Turner Senior Statutory Auditor
for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants
Statutory Auditors
Northallerton

Date: 12/01/2026



CONSOLIDATED INCOME STATEMENT FOR YEAR ENDED 30 SEPTEMBER 2025



Turnover

| | |
|------|--------------|
| 2025 | £121,925,274 |
| 2024 | £127,741,907 |

Cost of sales

| | |
|------|----------------|
| 2025 | (£101,760,794) |
| 2024 | (£111,858,323) |

| | Underlying £ | Exceptional (note 3) £ | 30 September 2025 £ | 30 September 2024 £ |
|--|--------------|---------------------------|------------------------|------------------------|
| Notes | | | | |
| Turnover | 4 | 121,925,274 | 121,925,274 | 127,741,907 |
| Cost of sales | | (101,760,794) | (101,760,794) | (111,858,323) |
| Gross Surplus | | 20,164,480 | 20,164,480 | 15,883,584 |
| Expenses | | (18,660,386) | (723,661) | (19,384,047) |
| Other operating income | | 582,191 | 582,191 | 825,961 |
| Interest receivable and similar income | 9 | 187,377 | 187,377 | 67,092 |
| Interest payable and similar expenses | 10 | (532) | (532) | (48,812) |
| Surplus/(Deficit) before taxation | | 2,273,130 | (723,661) | 1,549,469 |
| Taxation on surplus/(deficit) | 11 | (434,363) | (434,363) | 103,059 |
| Surplus/(Deficit) after taxation | | 1,838,767 | (723,661) | 1,115,106 |
| | | | | (1,318,561) |

All of the activities of the Society and Group are classed as continuing.



CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR YEAR ENDED 30 SEPTEMBER 2025

| | 2025 £ | 2024 £ |
|--|------------------|-------------|
| Surplus/(Deficit) for the year | 1,115,106 | (1,318,561) |
| Total comprehensive income for the year | 1,115,106 | (1,318,561) |

There were no recognised gains and losses for 2025 or 2024 other than those included in the consolidated income statement.

The notes on pages 21 to 45 form part of these financial statements.





CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025

Fixed assets

| | Note | 2025 £ | 2024 £ |
|-------------------------|------|------------|------------|
| Goodwill | 12 | 1,316 | 12,149 |
| Other intangible assets | 12 | 249,035 | 125,011 |
| Tangible assets | 13 | 15,300,778 | 15,508,064 |
| Investment property | 16 | 2,122,450 | 2,122,450 |
| | | 17,673,579 | 17,767,674 |

Current assets

| | Note | 2025 £ | 2024 £ |
|--|------|--------------|--------------|
| Stocks | 17 | 6,221,462 | 6,314,088 |
| Debtors: amounts falling due within one year | 18 | 12,928,370 | 15,166,810 |
| Current asset investments | 19 | 14,700 | 14,492 |
| Cash at bank and in hand | 20 | 8,815,773 | 8,308,808 |
| | | 27,980,305 | 29,804,198 |
| Creditors: amounts falling due within one year | 21 | (11,900,228) | (14,874,061) |
| | | | |

| | Note | 2025 £ | 2024 £ |
|---|------|-------------|-------------|
| Net current assets | | 16,080,077 | 14,930,137 |
| Total assets less current liabilities | | 33,753,656 | 32,697,811 |
| Creditors: amounts falling due after more than one year | 22 | (303,431) | (437,780) |
| Provisions for liabilities | | | |
| Deferred taxation | 23 | (1,672,000) | (1,319,538) |
| Other provisions | 24 | (486,694) | (500,000) |
| | | (2,158,694) | (1,819,538) |

| | Note | 2025 £ | 2024 £ |
|-------------------------|------|------------|------------|
| Net assets | | 31,291,531 | 30,440,493 |
| Capital and reserves | | | |
| Called up share capital | 25 | 6,827,991 | 6,761,907 |
| Revaluation reserve | | 646,835 | 646,835 |
| Profit and loss account | | 23,816,705 | 23,031,751 |
| | | 31,291,531 | 30,440,493 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT SEPTEMBER 2025

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



S Greenfield
Chairman
Date: 12/01/2026



R Butterworth
Director
Date: 12/01/2026

The notes on pages 21 to 45 form part of these financial statements.





Fixed assets

| | Note | 2025 £ | 2024 £ |
|-------------------------|------|-------------------|-------------------|
| Goodwill | | 1,316 | 12,149 |
| Other intangible assets | | 249,035 | 125,011 |
| Tangible assets | 13 | 11,394,210 | 10,252,328 |
| Investment Property | 16 | 2,122,450 | 1,722,450 |
| Investments | 14 | 16,023,807 | 16,023,807 |
| | | <u>29,790,818</u> | <u>28,135,745</u> |

Current assets

| | Note | 2025 £ | 2024 £ |
|--|------|---------------------|---------------------|
| Stocks | 17 | 5,308,013 | 5,162,809 |
| Debtors: amounts falling due within one year | 18 | 8,417,195 | 9,599,694 |
| Current asset investments | 19 | 14,700 | 14,492 |
| Cash at bank and in hand | 20 | 5,002,374 | 4,038,815 |
| | | <u>18,742,282</u> | <u>18,815,810</u> |
| Creditors: amounts falling due within one year | 21 | <u>(12,408,949)</u> | <u>(13,649,825)</u> |

| | Note | 2025 £ | 2024 £ |
|---------------------------------------|------|--------------------|-------------------|
| Net current assets | | <u>6,333,333</u> | <u>5,165,985</u> |
| Total assets less current liabilities | | <u>36,124,151</u> | <u>33,301,730</u> |
| Provisions for liabilities | | | |
| Deferred taxation | 23 | (1,092,000) | (878,371) |
| | | <u>(1,092,000)</u> | <u>(878,371)</u> |

| | Note | 2025 £ | 2024 £ |
|-------------------------|------|-------------------|-------------------|
| Net assets | | <u>35,032,151</u> | <u>32,423,359</u> |
| Capital and reserves | | | |
| Called up share capital | 25 | 6,827,991 | 6,761,907 |
| Revaluation reserve | | 769,890 | 769,890 |
| Profit and loss account | | 27,434,270 | 24,891,562 |
| | | <u>35,032,151</u> | <u>32,423,359</u> |

SOCIETY STATEMENT OF FINANCIAL POSITION (CONTINUED) AS AT SEPTEMBER 2025

The surplus after tax dealt with in the accounts of the parent Society for the year was £2,872,860 (2024 £754,537 surplus).

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

S Greenfield
Chairman
Date: 12/01/2026

R Butterworth
Director
Date: 12/01/2026

The notes on pages 21 to 45 form part of these financial statements.





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2025

| | Called up share capital £ | Revaluation reserve £ | Profit and loss account £ | Total £ |
|---|---------------------------------|-----------------------------|---------------------------------|-------------------|
| At 1 October 2023 | 6,525,124 | 692,444 | 24,857,685 | 32,075,253 |
| Deficit and total comprehensive income for the year | - | - | (1,318,561) | (1,318,561) |
| Distribution of surplus | - | - | (552,982) | (552,982) |
| Issue of share capital | 53,616 | - | - | 53,616 |
| Withdrawals | (369,815) | - | - | (369,815) |
| Transfers | - | (45,609) | 45,609 | - |
| Bonus issue of shares | 354,710 | - | - | 354,710 |
| Interest paid | 198,272 | | | 198,272 |
| At 1 October 2024 | 6,761,907 | 646,835 | 23,031,751 | 30,440,493 |
| Surplus and total comprehensive income for the year | - | - | 1,115,106 | 1,115,106 |
| Distribution of surplus | - | - | (330,152) | (330,152) |
| Issue of share capital | 10,199 | - | - | 10,199 |
| Withdrawals | (275,459) | - | - | (275,459) |
| Bonus issue of shares | 192,212 | - | - | 192,212 |
| Interest paid | 139,132 | - | - | 139,132 |
| At 30 October 2025 | 6,827,991 | 646,835 | 23,816,705 | 31,291,531 |

The notes on pages 21 to 45 form part of these financial statements.



SOCIETY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2025



| | Called up share capital £ | Revaluation reserve £ | Distributable Reserves £ | Total £ |
|---|---------------------------------|--------------------------|--------------------------------|-------------------|
| At 1 October 2023 | 6,525,124 | 769,890 | 24,690,007 | 31,985,021 |
| Surplus and total comprehensive income for the year | - | - | 754,537 | 754,537 |
| Distribution of surplus | - | - | (552,982) | (552,982) |
| Issue of share capital | 53,616 | - | - | 53,616 |
| Withdrawals | (369,815) | - | - | (369,815) |
| Bonus issue of shares | 354,710 | - | - | 354,710 |
| Interest | 198,272 | - | - | 198,272 |
| <hr/> | | | | |
| At 1 October 2024 | 6,761,907 | 769,890 | 24,891,562 | 32,423,359 |
| Surplus and total comprehensive income for the year | - | - | 2,872,860 | 2,872,860 |
| Distribution of surplus | - | - | (330,152) | (330,152) |
| Issue of share capital | 10,199 | - | - | 10,199 |
| Withdrawals | (275,459) | - | - | (275,459) |
| Bonus issue of shares | 192,212 | - | - | 192,212 |
| Interest | 139,132 | - | - | 139,132 |
| <hr/> | | | | |
| At 30 September 2025 | 6,827,991 | 769,890 | 27,434,270 | 35,032,151 |
| <hr/> | | | | |

The notes on pages 21 to 45 form part of these financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR YEAR ENDED 30 SEPTEMBER 2025



| | 2025 £ | 2024 £ |
|--|--------------------|--------------------|
| Cash flows from operating activities | | |
| Profit/(loss) for the financial year | 1,115,106 | (1,318,561) |
| Adjustments for: | | |
| Amortisation of intangible assets | 53,372 | 641,869 |
| Depreciation of tangible assets | 1,858,194 | 1,845,565 |
| (Decrease) in deferred income | (134,349) | (134,350) |
| Investment income | (187,378) | (67,092) |
| Taxation charge | 434,363 | (103,059) |
| Decrease in stocks | 92,626 | 2,274,234 |
| Decrease in debtors | 1,587,391 | 1,070,544 |
| (Decrease) in creditors | (3,063,416) | (1,545,858) |
| (Decrease)/increase in provisions | (13,306) | 500,000 |
| Corporation tax received | 650,989 | 25,777 |
| Net cash generated from operating activities | 2,393,592 | 3,189,069 |
| Cash flows from investing activities | | |
| Purchase of intangible fixed assets | (213,033) | (109,710) |
| Purchase of tangible fixed assets | (1,664,128) | (2,302,398) |
| Sale of tangible fixed assets | 67,432 | 257,346 |
| Interest received | 187,378 | 67,092 |
| Proceeds from other investments and loans | (208) | (109) |
| Net cash from investing activities | (1,622,559) | (2,087,779) |
| Cash flows from financing activities | | |
| Net proceeds from issue of shares | 66,084 | 236,782 |
| Repayment of loans | | (333,248) |
| Distribution of surplus | (330,152) | (552,982) |
| Net cash used in financing activities | (264,068) | (649,448) |
| Net increase in cash and cash equivalents | 506,965 | 451,842 |
| Cash and cash equivalents at beginning of year | 8,308,808 | 7,856,966 |
| Cash and cash equivalents at end of year | 8,815,773 | 8,308,808 |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 8,815,773 | 8,308,808 |
| | 8,815,773 | 8,308,808 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies

1.1 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").

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

The financial statements have been prepared under the historical cost convention modified to include the revaluation of freehold properties.

The following principal accounting policies have been applied:

The society 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 society, 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 for parent society information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated group financial statements consist of the financial statements of the parent company Brandsby Agricultural Trading Association Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 September 2025. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies (continued)

1.2 Basis of consolidation (continued)

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.3 Going concern

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

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the revenue account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.6 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies (continued)

1.7 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

1.8 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 and 10 years.

1.9 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

| | | |
|------------------|---|---|
| Software | - | Straight line basis over 3 years |
| Other intangible | - | Straight line basis over 5 years |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies (continued)

1.10 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

| | | |
|---------------------------|---|------------------------------|
| Property freehold | - | 25-40 years |
| Property leasehold | - | over the lease period |
| Plant | - | 3-18 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

1.11 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.12 Fixed asset investments

In the parent society financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies (continued)

1.13 Impairment of fixed assets

At each reporting period end date, the society reviews the carrying amounts of its tangible and intangible 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 society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.14 Stocks

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

The cost of stocks produced by the society consists of raw materials, direct labour costs and the relevant overhead costs.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the revenue account. Reversals of impairment losses are also recognised in the revenue account.

1.15 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.16 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies (continued)

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Financial instruments

The society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the society becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through the revenue account, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the revenue account.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the revenue account.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

1. Accounting policies (continued)

1.19 Financial instruments (continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the society transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 society after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the revenue account in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through the revenue account to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the society's contractual obligations expire or are discharged or cancelled.

1.20 Equity instruments

Equity instruments issued by the society 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 society.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the group'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.

Depreciation

The depreciation policy has been set according to management's experience of the useful lives of a typical asset in each category, something which is reviewed annually. It is not considered practical to use a per unit basis to allocate depreciation without undue cost or effort and therefore amounts are charged annually. The depreciation charged during the year was £1,858,194 (2024: £1,845,565) which the directors feel is a fair reflection of the benefits derived from the consumption of the tangible fixed assets in use during the period.

Bad debt provision

Outstanding trade debtor balances are reviewed on a line by line basis to identify possible amounts where a provision is required. Management closely manage the collection of trade debtors and therefore are able to identify balances where there is uncertainty about its recoverability, and determine what provision is required (if any).

Valuation of investment property

The group holds investment properties that are required under FRS102 to be carried at fair value. The Directors instructed a valuation of the investment portfolio to be carried out by an independent valuer at the end of the year, which formed the basis of the valuation.

Provision for costs likely to be incurred relating to an ongoing investigation

William Thompson (York) Limited is subject to an ongoing investigation, for which resolution is expected within the next 12 months. The best estimate that the company has regarding the costs that are likely to be incurred in order to bring this matter to a close is £486,694.

Subsequent to the year end the outcome of the investigation was concluded, and costs were finalised at £507k.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

3. Exceptional costs

| | 2025 £ | 2024 £ |
|----------------------------------|---------------|-----------------|
| Exceptional item cost of sales | - | 1,619,686 |
| Exceptional administration costs | 723,661 | 500,000 |
| | <hr/> 723,661 | <hr/> 2,119,686 |

Exceptional cost of sales in the prior year relate to losses made in the period on contracts for raw materials.

Exceptional administration costs in the prior year relate to a provision in relation to the ongoing investigation, as disclosed in note 24.

Exceptional administration costs in the current year relate to additional costs in relation to the reorganisation.

4. Turnover and other revenue

| | 2025 £ | 2024 £ |
|------------------------------------|---------------|---------------|
| Other significant revenue | | |
| Release of government grants | 134,350 | 134,350 |
| Rent receivable | 226,277 | 175,178 |
| Credit charge | 108,780 | 131,624 |
| Other income | 247,194 | 150,973 |
| Profit on disposal of fixed assets | 167,990 | 199,045 |
| | <hr/> 884,591 | <hr/> 791,170 |

5. Operating Surplus/(Deficit)

The operating surplus/(deficit) is stated after charging:

| | 2025 £ | 2024 £ |
|---|-----------|-----------|
| Depreciation of owned tangible fixed assets | 1,858,194 | 1,845,565 |
| Amortisation of intangible assets | 53,372 | 641,869 |
| | <hr/> | <hr/> |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

6. Auditors' remuneration

| | 2025 £ | 2024 £ |
|---|--------------|--------------|
| For audit services | | |
| Audit of the financial statements of the group and society | 31,500 | 29,935 |
| Audit of the financial statements of the society's subsidiaries | 33,500 | 24,365 |
| | <hr/> 65,000 | <hr/> 54,300 |
| | <hr/> <hr/> | <hr/> <hr/> |
| | 2025 £ | 2024 £ |
| For other services | | |
| Accounts preparation services | 7,000 | 10,560 |
| | <hr/> 7,000 | <hr/> 10,560 |
| | <hr/> <hr/> | <hr/> <hr/> |

During the year, the Company appointed Armstrong Watson Audit Limited as its external auditor, replacing BHP LLP following a competitive tender process. The prior year figures reflect fees paid to the previous auditor, while the current year includes amounts payable to the newly appointed auditor.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

7. Employees

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

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|-------------------------------------|--------------|--------------|----------------|----------------|
| Wages and salaries | 10,007,684 | 9,459,187 | 7,620,309 | 6,792,701 |
| Social security costs | 1,118,528 | 923,715 | 836,206 | 663,939 |
| Cost of defined contribution scheme | 400,877 | 362,558 | 332,658 | 285,674 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 11,527,089 | 10,745,460 | 8,789,173 | 7,742,314 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

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

| | Group 2025 No. | Group 2024 No. | Society 2025 No. | Society 2024 No. |
|----------------------------|----------------|----------------|------------------|------------------|
| Production and mill staff | 49 | 55 | 20 | 21 |
| Distribution staff | 65 | 64 | 49 | 47 |
| Administrative staff | 60 | 52 | 51 | 43 |
| Management and sales staff | 135 | 138 | 119 | 123 |
| Directors | 6 | 6 | 6 | 6 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 315 | 315 | 245 | 240 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

8. Directors' remuneration

| | 2025 £ | 2024 £ |
|--------------------------------------|---------|---------|
| Remuneration for qualifying services | 126,045 | 118,927 |
| | <hr/> | <hr/> |
| | 126,045 | 118,927 |
| | <hr/> | <hr/> |

9. Interest receivable and similar income

| | 2025 £ | 2024 £ |
|---------------------------|---------|--------|
| Interest income | | |
| Interest on bank deposits | 106,987 | 34,362 |
| Other interest income | 80,390 | 32,730 |
| | <hr/> | <hr/> |
| | 187,377 | 67,092 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

10. Interest payable and similar expenses

| | 2025 £ | 2024 £ |
|---------------------------------------|-----------|--------------|
| Interest on bank overdrafts and loans | 532 | 48,812 |
| | <hr/> 532 | <hr/> 48,812 |

11. Taxation

| | 2025 £ | 2024 £ |
|--|---------------------|-----------------------|
| Corporation tax | | |
| Current tax on profits for the year | 81,902 | - |
| Adjustments in respect of previous periods | - | 6,441 |
| | <hr/> 81,902 | <hr/> 6,441 |
| | <hr/> <hr/> 81,902 | <hr/> <hr/> 6,441 |
| Total current tax | 81,902 | 6,441 |
| Deferred tax | | |
| Origination and reversal of timing differences | 352,461 | (109,500) |
| Total deferred tax | 352,461 | (109,500) |
| | <hr/> 352,461 | <hr/> (109,500) |
| Total tax charge/(credit) | 434,363 | (103,059) |
| | <hr/> <hr/> 434,363 | <hr/> <hr/> (103,059) |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2024 - higher than) the standard rate of corporation tax in the UK of 25% (2024 - 25%). The differences are explained below:

| | 2025 £ | 2024 £ |
|---|-----------|-------------|
| Profit/(loss) on ordinary activities before tax | 1,549,470 | (1,421,620) |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024 - 25%) | 387,368 | (355,405) |
| Effects of: | | |
| Tax effect of expenses that are not deductible in determining taxable profit | 10,468 | 159,422 |
| Fixed asset differences | 8,543 | - |
| Adjustments to tax charge in respect of prior periods | - | 6,441 |
| Permanent capital allowances in excess of depreciation | 28,549 | 86,472 |
| Other permanent differences | | 11 |
| Movement in deferred taxation not recognised | (565) | - |
| Total tax charge (credit) for the year | 434,363 | (103,059) |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

12. Intangible assets

| Group | Patents £ | Computer software £ | Goodwill £ | Total £ |
|-------------------------------------|-----------|---------------------|------------|-----------|
| Cost | | | | |
| At 1 October 2024 | 36,704 | 119,660 | 8,305,927 | 8,462,291 |
| Additions | - | 213,033 | - | 213,033 |
| Transfer between classes | - | (46,470) | - | (46,470) |
| At 30 September 2025 | 36,704 | 286,223 | 8,305,927 | 8,628,854 |
| <hr/> | | | | |
| Amortisation | | | | |
| At 1 October 2024 | 20,188 | 11,165 | 8,293,778 | 8,325,131 |
| Charge for the year on owned assets | 7,341 | 35,198 | 10,833 | 53,372 |
| At 30 September 2025 | 27,529 | 46,363 | 8,304,611 | 8,378,503 |
| <hr/> | | | | |
| Net book value | | | | |
| At 30 September 2025 | 9,175 | 239,860 | 1,316 | 250,351 |
| At 30 September 2024 | 16,516 | 108,495 | 12,149 | 137,160 |
| <hr/> | | | | |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

12. Intangible assets (continued)

Society

| | Patents £ | Computer software £ | Goodwill £ | Total £ |
|---------------------------|-----------|---------------------|------------|----------|
| Cost | | | | |
| At 1 October 2024 | 36,704 | 119,660 | 666,801 | 823,165 |
| Additions | - | 213,033 | - | 213,033 |
| Transfers between classes | - | (46,470) | - | (46,470) |
| At 30 September 2025 | 36,704 | 286,223 | 666,801 | 989,728 |
| Amortisation | | | | |
| At 1 October 2024 | 20,188 | 11,165 | 654,652 | 686,005 |
| Charge for the year | 7,341 | 35,198 | 10,833 | 53,372 |
| At 30 September 2025 | 27,529 | 46,363 | 665,485 | 739,377 |
| Net book value | | | | |
| At 30 September 2025 | 9,175 | 239,860 | 1,316 | 250,351 |
| At 30 September 2024 | 16,516 | 108,495 | 12,149 | 137,160 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. Tangible fixed assets

Group

| | Property freehold £ | Property leasehold £ | Plant £ | Total £ |
|-------------------------------------|---------------------------|----------------------------|-------------------|-------------------|
| Cost or valuation | | | | |
| At 1 October 2024 | 11,163,025 | 336,973 | 21,109,887 | 32,609,885 |
| Additions | 3,547 | 51,019 | 1,609,562 | 1,664,128 |
| Disposals | (3,065) | (2,319) | (879,870) | (885,254) |
| Transfers between classes | - | - | 46,470 | 46,470 |
| At 30 September 2025 | <u>11,163,507</u> | <u>385,673</u> | <u>21,886,049</u> | <u>33,435,229</u> |
| Depreciation | | | | |
| At 1 October 2024 | 3,617,496 | 175,855 | 13,308,470 | 17,101,821 |
| Charge for the year on owned assets | 344,093 | 42,210 | 1,471,891 | 1,858,194 |
| Disposals | (3,064) | (817) | (821,683) | (825,564) |
| At 30 September 2025 | <u>3,958,525</u> | <u>217,248</u> | <u>13,958,678</u> | <u>18,134,451</u> |
| Net book value | | | | |
| At 30 September 2025 | <u>7,204,982</u> | <u>168,425</u> | <u>7,927,371</u> | <u>15,300,778</u> |
| At 30 September 2024 | <u>7,545,529</u> | <u>161,118</u> | <u>7,801,417</u> | <u>15,508,064</u> |

Shortly after the year end, the Group disposed of the grain drying facility at Pocklington, as this was not part of the core business. This generated a profit on sale and a strong cash return.

After the year end it was also announced that manufacturing of animal feed would cease at the Amotherby Mill, with the volume being transferred to the manufacturing facility at Murton. This will have a positive impact on the profitability of the Group, but will incur some one off costs, including redundancies.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

13. Tangible fixed assets (continued)

| Society | Property freehold £ | Property leasehold £ | Plant £ | Total £ |
|-------------------------------------|---------------------------|----------------------------|-------------------|-------------------|
| Cost or valuation | | | | |
| At 1 October 2024 | 8,873,090 | 336,973 | 11,249,746 | 20,459,809 |
| Additions | 3,547 | - | 1,111,956 | 1,115,503 |
| Transfers intra group | 1,661,791 | - | 648,909 | 2,310,700 |
| Disposals | (3,065) | - | (385,969) | (389,034) |
| Transfers between classes | - | - | 46,470 | 46,470 |
| At 30 September 2025 | 10,535,363 | 336,973 | 12,671,112 | 23,543,448 |
| Depreciation | | | | |
| At 1 October 2024 | 2,603,313 | 175,855 | 7,428,313 | 10,207,481 |
| Charge for the year on owned assets | 229,991 | 5,814 | 633,250 | 869,055 |
| Transfers intra group | 792,106 | - | 648,861 | 1,440,967 |
| Disposals | (3,065) | - | (365,200) | (368,265) |
| At 30 September 2025 | 3,622,345 | 181,669 | 8,345,224 | 12,149,238 |
| Net book value | | | | |
| At 30 September 2025 | 6,913,018 | 155,304 | 4,325,888 | 11,394,210 |
| At 30 September 2024 | 6,269,777 | 161,118 | 3,821,433 | 10,252,328 |

On 31 May 2025 Brandsby Agricultural Trading Association Limited received £870k of tangible fixed assets from its subsidiary undertaking William Thompson Properties Limited as part of a group reorganisation.

If revalued freehold buildings were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

| Group | 2025 £ | 2024 £ |
|--------------------------|------------------|------------------|
| Cost | 10,790,622 | 10,790,140 |
| Accumulated depreciation | (3,597,143) | (3,256,114) |
| Carrying value | 7,193,479 | 7,534,026 |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

14. Fixed asset investments

| Society | Investments in subsidiary companies £ |
|--------------------------|---------------------------------------|
| Cost or valuation | |
| At 1 October 2024 | 16,023,807 |
| At 30 September 2025 | 16,023,807 |
| Net book value | |
| At 30 September 2025 | 16,023,807 |
| At 30 September 2024 | 16,023,807 |

The directors have considered the carrying value of the cost of investment in shares in group undertakings, and based on their expectations of future cashflows forecast to be derived from the investment and other financial synergies obtained within the group, do not believe the investment is impaired.

15. Subsidiary undertakings

The following were subsidiary undertakings of the Society:

| Name | Registered office | Principal activity | Class of shares | Holding |
|-------------------------------------|--|--------------------------------|-----------------|---------|
| William Thompson (York) Limited | Main Street, Amotherby, Malton, Y017 6TA | Distribution of feeding stuffs | Ordinary | 100% |
| William Thompson Properties Limited | Same as the above | Dormant | Ordinary | 100% |
| BATA SWLF Limited | Same as the above | Dormant | Ordinary | 100% |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

16. Investment property

Group

| | Investment property £ |
|-----------------------------|-----------------------------|
| Fair value | |
| At 1 October 2024 | 2,122,450 |
| At 30 September 2025 | 2,122,450 |
| | <hr/> |

Society

| | Investment property £ |
|-----------------------------|-----------------------------|
| Valuation | |
| At 1 October 2024 | 1,722,450 |
| Transfers intra group | 400,000 |
| At 30 September 2025 | 2,122,450 |
| | <hr/> |

The fair value of the commercial and residential investment property has been arrived at on the basis of valuations carried out in December 2025 by McBeath Property Consultancy, which is not connected with the society. The valuations were made on an open market value basis by reference to market evidence of transaction prices for similar properties. The Directors have reviewed the valuation as at 30 September 2025 and have determined that there has not been a material change in valuation this year.

On 31 May 2025 Brandsby Agricultural Trading Association Limited received £400k of investment property from its subsidiary undertaking William Thompson Properties Limited.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

17. Stocks

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|-------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Raw materials and consumables | 1,099,599 | 2,035,021 | 295,963 | 1,188,932 |
| Fuel | 353,052 | 569,686 | 353,052 | 569,686 |
| Finished goods and goods for resale | 4,768,811 | 3,709,381 | 4,658,998 | 3,404,191 |
| | 6,221,462 | <u>6,314,088</u> | 5,308,013 | <u>5,162,809</u> |

18. Debtors

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade debtors | 11,753,750 | 13,258,440 | 6,349,778 | 8,199,478 |
| Amounts owed by group undertakings | - | - | 1,665,414 | 414,048 |
| Other debtors | 604,098 | 405,616 | 37,480 | 190,508 |
| Prepayments and accrued income | 570,522 | 851,703 | 364,523 | 273,426 |
| Corporation tax recoverable | - | 651,051 | - | 522,234 |
| | 12,928,370 | <u>15,166,810</u> | 8,417,195 | <u>9,599,694</u> |

19. Current asset investments

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|----------------------|--------------------|--------------------|----------------------|----------------------|
| Unlisted investments | 14,700 | 14,492 | 14,700 | 14,492 |
| | 14,700 | <u>14,492</u> | 14,700 | <u>14,492</u> |

20. Cash and cash equivalents

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|--------------------------|--------------------|--------------------|----------------------|----------------------|
| Cash at bank and in hand | 8,815,773 | 8,308,808 | 5,002,374 | 4,038,815 |
| | 8,815,773 | <u>8,308,808</u> | 5,002,374 | <u>4,038,815</u> |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

21. Creditors: Amounts falling due within one year

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Trade creditors | 9,400,879 | 11,574,313 | 7,003,331 | 9,444,188 |
| Amounts owed to group undertakings | - | - | 4,100,044 | 2,160,501 |
| Other taxation and social security | 328,894 | 220,792 | 263,180 | 147,770 |
| Corporation tax | 81,840 | - | 81,840 | - |
| Government grants | 133,006 | 133,006 | - | - |
| Other creditors | 241,777 | 357,961 | 229,120 | 335,934 |
| Accruals and deferred income | 1,713,832 | 2,587,989 | 731,434 | 1,561,432 |
| | 11,900,228 | 14,874,061 | 12,408,949 | 13,649,825 |
| | ===== | ===== | ===== | ===== |

Amounts owed to group undertakings are repayable on demand with no interest accrued on amounts due.

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

| | Group 2025 £ | Group 2024 £ |
|-------------------|--------------------|--------------------|
| Government grants | 303,431 | 437,780 |
| | ===== | ===== |
| | 303,431 | 437,780 |
| | ===== | ===== |

23. Deferred taxation

| Group | 2025 |
|---------------------------|------------------|
| At beginning of year | 1,319,538 |
| Charged to profit or loss | 352,462 |
| | ===== |
| At end of year | 1,672,000 |
| | ===== |

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

23. Deferred taxation (continued)

| Society | 2025 £ |
|---------------------------|------------------|
| At beginning of year | 878,371 |
| Charged to profit or loss | (213,629) |
| At end of year | 1,092,000 |

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|--------------------------------|--------------------|--------------------|----------------------|----------------------|
| Accelerated capital allowances | 1,688,000 | 1,600,389 | 982,000 | 840,099 |
| Tax losses | - | (328,124) | - | (82,704) |
| Revaluations | 127,000 | 179,326 | 127,000 | 126,547 |
| Retirement benefit obligations | (5,314) | (5,571) | (5,314) | (5,571) |
| Short term timing differences | (137,686) | (126,482) | (11,686) | - |
| | 1,672,000 | 1,319,538 | 1,092,000 | 878,371 |

24. Provisions for liabilities

| Group | Provision in relation to ongoing investigation £ |
|-----------------------------|--|
| At 1 October 2024 | 500,000 |
| Utilised in year | (13,306) |
| At 30 September 2025 | 486,694 |

The subsidiary Company, William Thompson (York) Limited is subject to an ongoing investigation, for which resolution is expected within the next 12 months. The best estimate that the company has regarding the costs that are likely to be incurred in order to bring this matter to a close is £486,694.

Subsequent to the year end the outcome of the investigation was concluded, and costs were finalised at £507k.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

25. Share capital

| | 2025 £ | 2024 £ |
|--|------------------|------------------|
| Allotted, called up and fully paid | | |
| 6,827,991 (2024 - 6,761,907) Ordinary shares of £1.00 each | <u>6,827,991</u> | <u>6,761,907</u> |

There were 2,982 members as at 1 October 2024, 21 new members appointed during the year and 62 closed accounts during the year, resulting in 2,941 members as at 30 September 2025.

26. Analysis of changes in net funds- group

| | At 1 October 2024 £ | Cash flows £ | At 30 September 2025 £ |
|--------------------------|------------------------------|-----------------|---------------------------------|
| Cash at bank and in hand | 8,308,808 | 506,965 | 8,815,773 |
| Debt due within 1 year | - | - | - |
| | <u>8,308,808</u> | <u>506,965</u> | <u>8,815,773</u> |

27. Capital commitments

At 30 September 2025 the Group and Society had capital commitments as follows:

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|--------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Acquisition of tangible fixed assets | - | 914,171 | - | 798,171 |
| | <u>-</u> | <u>914,171</u> | <u>-</u> | <u>798,171</u> |

In relation to the commitments above, in the prior year, £744,000 of grant funding has been agreed to contribute to the acquisition of group tangible fixed assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

28. Retirement benefit schemes

| | 2025 £ | 2024 £ |
|---|----------------------------------|---------------------------|
| Charge to profit or loss in respect of defined contribution schemes | 400,876 | 362,558 |
| | <hr/> 400,876 <hr/> <hr/> | <hr/> 362,558 <hr/> <hr/> |

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

At 30 September 2025 the society had total unpaid pension contributions of £63,022 (2024: £40,959). At 30 September 2025 the group had total unpaid pension contributions of £75,678 (2024: £54,346).

29. Commitments under operating leases

Lessee

At 30 September 2025 the Group and the Society had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

| | Group 2025 £ | Group 2024 £ | Society 2025 £ | Society 2024 £ |
|----------------------------|----------------------------------|--------------------------|----------------------------------|--------------------------|
| Not later than 1 year | 4,207 | 55,622 | 1,867 | 55,622 |
| Between two and five years | 297,721 | 12,963 | 248,974 | 12,963 |
| | <hr/> 301,928 <hr/> <hr/> | <hr/> 68,585 <hr/> <hr/> | <hr/> 250,841 <hr/> <hr/> | <hr/> 68,585 <hr/> <hr/> |

30. Financial commitments, guarantees and contingent liabilities

The group's bank holds a cross guarantee and debenture given by BATA, William Thompson (York) Limited and William Thompson Properties Limited.

At 30 September 2025 the group had entered into forward contracts for the purchase of raw materials with a value of £12,407,818 over the period to October 2026 (2024: £14,376,283 to October 2025).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2025

31. Related party transactions

Remuneration of key management personnel

Key management personnel are defined as persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (executive or otherwise) of that entity.

The remuneration of key management personnel is as follows.

| | 2025 | 2024 |
|------------------------|----------------|---------|
| | £ | £ |
| Aggregate compensation | 900,070 | 642,387 |
| | <hr/> | <hr/> |

Transactions with related parties

As permitted by FRS 102, these financial statements do not disclose transactions with the parent undertaking and fellow subsidiaries where 100% of the voting rights are held within the group.

During the year expenditure of £3,926 (2024: £Nil) was incurred to an organisation that the parent society Directors have an interest in. At the year end there were amounts payable to this organisation of £Nil (2024: £Nil).

During the year sales of £373,364 (2024: £172,754) were made to organisations that the parent society Directors have an interest in. At year end there were amounts owed by these organisations of £Nil (2024: £19,836).

Get in touch

✉ info@bataltd.co.uk

📞 01653 605200

🌐 bataltd.co.uk/contact-us