

# Wadworth and Company Limited

## ANNUAL REPORT & FINANCIAL STATEMENTS

for the period ended 4 January 2025



SINCE 1875  
**WADWORTH**  
TRADITIONS WORTH HOLDING ON TO

COMPANY REGISTRATION NO. 00030177 (ENGLAND AND WALES)



# Contents

Strategic Report	03
Directors’ Report	06
Risks and Uncertainties	08
Independent Auditor’s Report	12
Income Statement	14
Statement of Comprehensive Income	15
Statement of Financial Position	16
Statement of Changes in Equity	17
Statement of Cash Flows	18
Notes to the Financial Statements	20

## Company Information

Company number: 00030177	Registered office: Folly Road Brewhouse Folly Road Devizes, Wiltshire SN10 2HT	Independent auditor: Saffery LLP St Catherine's Court, Berkeley Place, Clifton, Bristol, BS8 1BQ
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# Strategic Report

- EBITDA of £5.4m
- Operating profit of £3.5m
- Profit before tax £0.9m
- Net assets of £80m
- 18 managed houses,  
129 tenanted pubs

It has been another transformative year at Wadsworth but not one without its challenges. The EBITDA for the business increased by 17% compared to last year and this resulted in a profit on ordinary activity of £3.5m. We have increased our sales by nearly 6% across the business and the year finished on a high with strong Christmas trading. The clear successes in our underlying trading performance have been partially hampered by two factors; a) the increased interest costs of our bank debt and b) the repair costs we incurred following weather-related damage to some of our properties.

We are committed to the effective maintenance of our property portfolio to protect and enhance shareholder value, and it is reassuring to see that the annual property revaluation resulted in a total gain of £3.9m (£1.3m in 2023), but with a reduced benefit to the income statement from prior year (£111k in 2024 versus £684k in 2023) and a greater influence within other comprehensive income (£3,740k in 2024 versus £661k in 2023).

### Brewing and brands

With a full year of operating the new brewery now behind us, it is our clear strategic aim to increase the share of own-brewed draught product sold throughout our estate in the coming years, and we have already seen some huge successes. We have launched two new permanent beers to the estate, Evolution Session IPA and To Helles and Back, a Helles-style lager. These are now stocked in over 90 pubs across the estate and we are aiming to grow distribution further in the year ahead. We also reintroduced Corvus, our 4.1% stout, due to sustained customer demand in the stout category. Both in our own pubs and more widely, the sales volumes of 6X have been maintained despite the ongoing decline in the cask market.

The cost efficiencies that were identified in the investment case for the Folly Road brewery have consistently been delivered and we have reduced the gas and electricity usage of our production operations by approximately 60%. We will continue to seek further productivity and efficiency improvements over time, and a recent SECR report highlights the huge reduction in carbon emissions that have been achieved as a result of our move from the Northgate brewery leading to a reduction of 340 tCO2e (29%) net carbon emissions in 2024.

### Tenancies

In the tenanted division beer volumes increased over the prior year, predominantly due to the growth in share of the new Folly Road beer range, clearly demonstrating that we can help our tenants compete even more effectively for customers by providing them with high quality beers at cost-effective prices. We have welcomed 14 new tenants to the business and this has resulted in some remarkable transformations in the year. We undertook a comprehensive review of the entire tenanted estate at the beginning of 2024 and this has highlighted a number of opportunities within the division to grow market share and improve underlying earnings. During the year, one managed house was converted to a tenancy and three further sites are currently on the market for disposal.





Managed houses

The managed division continued its growth trajectory with an 8% uplift in sales on prior year and divisional profit increasing by over 20%. This continued improvement has been down to the high calibre of people we have running our managed pubs, complemented by a central services team entirely focused on creating brilliant customer experiences. Notwithstanding the cost increases seen in the supply chain, both food and drink margins increased in the year as a result of carefully managed price increases and reduced wastage.

We completed a number of small capital improvement projects within the division and a significant investment into the George at Frome - a 28 bedroom hotel in the centre of the town. The investment has transformed the pub's trading area and created 40 additional covers as well as giving a clear boost to the external trading area. The return on investment has achieved our targeted hurdle rate and gives us the confidence to seek out future transformational investments of this scale.

The following paragraphs summarise how the Wadworth Directors fulfil their duties:

Our People, Community, Suppliers and Environment

The company is committed to being a responsible business and to the following set of values:



Financing

The company's borrowing facilities were extended for a further year from September 2024, and now that prospective interest rates are becoming more attractive, we are aiming to refinance on a longer term basis from September 2025. Consistently improving underlying performance has meant that the company is becoming increasingly attractive to lenders to help support our drive for growth going forwards. That said, the board is committed to progressively reducing the company's borrowings in order to further enhance shareholder value and free cash generation.

The redevelopment prospects for the Northgate site saw significant progress in 2024 and resulted in planning permission being successfully granted in February 2025 for the Backhouse part of the development. This is a great outcome for the site, for Devizes and for Wadworth and will release funds for investment into the pub estate. The Grade 2 listed part of the site is also now in planning and we would hope the proposed scheme will receive planning approval during 2025.

Section 172 Companies Act 2006 Statement

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

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

Risk Management

It is key that we clearly identify, manage and mitigate the risks the company faces. The risks and uncertainties facing the company are further laid out from page 8.

Shareholders

We are committed to an open and effective dialogue with our shareholders. It is important to us that the shareholders clearly understand the strategy and objectives of the company and have the platform to raise any questions or issues that are then addressed. The Board recognises that it is responsible for creating and delivering shareholder value for the long term.

Summary

Whilst Wadworth achieved continued performance improvement in the 2024 financial year, it is clear that 2025 is going to be another challenging period for hospitality businesses like ours. The Chancellor of the Exchequer's October 2024 budget has created uncertainty for the sector, substantially increasing the costs of doing business whilst at the same time undermining consumer confidence. With increases in Employers' National Insurance contributions, the

National Living Wage and the costs of business rates taking effect from April 2025, we are constantly seeking ways to improve productivity, mitigating the cost burdens we will incur, whilst at the same time continuing to invest in our people, our pubs and our brands.

We are doing everything possible to prepare for what is to come and are conscious that competition for customers will be even more intense in the year ahead. We have a clear strategy to improve the quality of our pubs through carefully targeted investment and to increase the proportion of our own-brewed products sold within our estate. Alongside continued investment in our attractive portfolio of assets, we will seek to progressively reduce borrowings over time, thereby increasing shareholder value and free cash for allocation as appropriate. It is our clearly stated ambition to reinstate distributions to shareholders as soon as it is reasonable and sustainable to do so, however it is the board's view that, notwithstanding the company's recent return to profitability, the significant challenges that have been imposed on Wadworth by the current Government mean that it is not yet appropriate to reinstate the payment of an ordinary dividend to shareholders.

I would close by expressing my sincere thanks to everyone in the Wadworth team for their hard work, commitment and loyalty to this wonderful business, and to all of our customers, suppliers and shareholders for their continuing support.

On behalf of the Board

*Simon Townsend*

**W Simon Townsend**  
Chairman

17th April 2025

Registered Company Name: Wadworth and Company Limited  
Registered Company Number: 00030177  
Registered Office: Folly Road Brewhouse, Folly Road, Devizes, Wiltshire, SN10 2HT





# Directors’ Report

The Directors present their report and accounts for the financial period ended 4 January 2025.

### Review of Business

The principal activities of the company are the brewing and packaging of beers, the wholesaling and retailing of beers, ciders, wines, spirits and minerals and the ownership and management of licensed properties. Having assessed the future outlook of the business together with current levels of funding, the directors have concluded that it has sufficient resources to continue as a going concern.

The key financial indicators during the period were as follows:

	4 January 2025 £'000	30 December 2023 £'000
Turnover	41,318	39,154
EBITDA	5,417	4,644
Reorganisation costs	(120)	(105)
Profit on Ordinary Activities Before Taxation	923	815
Dividend on Ordinary Share Paid	-	-
Net Asset Value	80,420	77,878

### Board of Directors

WS Townsend	Chairman
TJ Bartholomew	Managing Director
DJ Webber	Finance Director and Company Secretary
M Fulton	Operations Director
JE Beard	Non-executive Director
NC Stenhouse	Non-executive Director
CJE Bartholomew	Non-executive Director
ES Harford - resigned 24 July 2024	Non-executive Director
MS Cozens - appointed 24 July 2024	Non-executive Director

### Results

The results for the year are set out on page 14.

### Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### Streamlined Energy & Carbon Report Summary

This financial year, Wadworth consumed 7,436 MWh resulting in the gross carbon emissions of the business amounting to 1,466 tCO2e. These figures correspond to a 21% reduction in total energy consumption and 20% in gross carbon emissions compared to the previous year.

Normalised gross emissions from the brewery decreased by 55%, from 0.0301 tCO2e/hL to 0.0134 tCO2e/hL of product whilst normalised gross emissions from the managed estates decreased by 13% from 0.0622 tCO2e/£k to 0.0541 tCO2e/£k of annual turnover.

2024 represents our first full year’s trading from the Folly Road Brewhouse. The initial build utilised energy efficient and waste reducing technology, notably the installation of PIR LED lighting, advanced refrigeration technology and optimisation of the boil off rate as well as a new roof design to allow greater natural light. In the summer of 2024 we installed a 210 kilowatt-peak (kWp) solar array to complement the solar panels transferred from Northgate brewery. Additionally, the electricity purchased by Wadworth is 100% green and renewable, procured through green tariffs, backed by Renewable Energy Guarantees of Origin Certificates (REGO’s). The carbon emissions related to electricity can be deducted from the total gross value, a reduction of 621 tCO2e, resulting in the final net carbon emissions of 845 tCO2e, a 29% decrease from last year.

Parameter	Units	Current reporting year 01/01/24 – 31/12/24	Comparison calendar year 01/01/23 – 31/12/23
Combustion fuels consumed	kWh	4,420,002	6,279,495
Grid electricity consumed	kWh	2,999,411	3,105,181
Solar electricity consumed	kWh	16,833	-
Total energy consumption used to calculate emissions	kWh	7,436,246	9,384,675
Total gross carbon emissions	tCO <sub>2</sub> e	1,466	1,828
Carbon reduction through green electricity tariff	tCO <sub>2</sub> e	(621)	(643)
Total net carbon emissions	tCO <sub>2</sub> e	845	1,185
Brewery intensity ratio: Total gross emissions / total production	tCO <sub>2</sub> e/hL	0.0134	0.0301
Managed estate intensity ratio: Total gross emissions / turnover	tCO <sub>2</sub> e/£k	0.0541	0.0622

### Auditor

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

### Statement of Directors’ responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

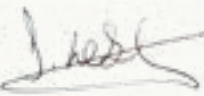
### Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company’s strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the business, its future developments and its S172 report.

### Statement of disclosure to Auditor

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

On behalf of the Board



DJ Webber  
Director

17th April 2025

Registered Company Name: Wadworth and Company Limited  
Registered Company Number: 00030177  
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# Risks and Uncertainties

RISK	MANAGEMENT ACTIONS
Global Events	
<b>Pandemic/disease leading to government enforced closure of pubs</b> leading to significant reduction in trade. The majority of our trade comes from the pub business both managed and tenanted and also from sales into the on-trade.	We would continue to work closely with our banking partners alongside reviewing current and future levels of funding to ensure adequate liquidity is in place.
<b>Potential and ongoing global conflicts</b> and the significant impact this has on the profitability of our pubs.	We are hedged against our utility contracts until Q1 2028. We are flexible enough in our own food and drink pricing and choice to react to any global events that may threaten margin.
<b>Tariffs</b> imposed on exports out of and imports into the UK.	We do not sell outside of the UK, so are unaffected against export tariffs. However, the current global tariff situation may cause an increase in input costs requiring the business to review its supply chain on a regular basis.
Operational Risks	
<b>Brewery Site:</b> The new Folly Road site produces all of our beers and a serious accident at the site, or a breakdown of major equipment, would impact on our production capabilities.	The new site has state of the art equipment covered under warranty plus an extensive spares package provided by the manufacturer based in Germany. To ensure the continued supply of our beers we have an agreement with a number of other independent brewers who would produce our beers should the Folly Road site be closed.
<b>Information Technology:</b> The reliance on information systems to manage our brewery operations and operational management of our pubs would be impacted if a significant failure of these systems took place.	All of our business systems are documented and we have a disaster recovery plan to ensure that the business critical operations could be quickly restored in a controlled manner. All systems are now based in the cloud with no reliance on local servers. Out of hours support is available to our managed houses should issues arise.
Legislative Risks	
<b>Statutory Legislation/Voluntary Code:</b> The government has introduced a statutory code for pub companies with over 500 pubs. A voluntary code is in place for companies with less than 500 pubs. The threshold of 500 pubs could be lowered which would result in a free of tie option to be offered in certain circumstances.	Our Tenanted business has fully signed up to the voluntary code and is complying with all elements ensuring a transparent way of working with our Tenants. If the threshold changed, we would review the business model to accommodate the change to our commercial operations.
<b>Health &amp; Safety:</b> The safety of our customers, employees and all stakeholders is a high priority for the directors. The business must comply with all Health & Safety Regulations that apply to our industry.	Our Health & Safety Committee oversees all related matters and we have a Health & Safety platform to facilitate the management and reporting of risk across the whole business. All relevant staff are trained at the right levels consistent with legislation. Managed house staff have access to all compliance training on our online training portal. In our Tenanted estate we operate the Management Services Agreement which manages the compliance certification required.

RISK	MANAGEMENT ACTIONS
Legislative Risks - continued	
<b>Alcohol Duty Reform:</b> Annual RPI adjustments already factored in to published forecast.	Duty rates have been changed from February 2025 as part of the October 2024 government budget. We expect these rates to be maintained for at least 12 months. Duty rates under constant review and future beers and alcohol content part of the strategy for new Folly Road beer reviews going forward.
<b>Packaging:</b> New Extended Producer Responsibility (EPR) regime commences in April 2025 ensuring the producer pays the full cost of collection, recycling and reuse of packaging. The UK government plans to introduce a Deposit Return Scheme (DRS) in October 2027 to increase recycling rates and reduce litter.	EPR costs will be passed onto customers to ensure all liabilities do not impact margin. We continue to lobby the government that EPR is a double taxation to the on-trade, who already meet their recycling obligations under the Producer Responsibility Obligations (Packaging Waste) Regulations. We liaise with the appropriate government bodies in regard to DRS to ensure compliance across all parts of the UK.
<b>Business Rates:</b> Retail, hospitality and leisure (RHL) relief decreased to 40% from April 2025, with an overall cap for businesses (£110,000) limited for managed pubs.	Reform to business rates currently being undertaken by the Labour government and this could potentially be put in place from April 2026. Management team to ensure all business partners are aware of timeline and have taken necessary actions to prepare.
<b>National Living Wage:</b> A National Living Wage was introduced by the UK Government on 1st April 2016. The control of minimum salaries is now centrally governed and therefore may have an impact on operational costs for our managed houses.	The current salary structure is in line with the National Living Wage and in some cases above. If the National Living Wage rises disproportionately, we will manage resourcing to balance this against increased costs.
<b>Drink Driving England &amp; Wales:</b> Scotland has a drink driving limit of 50mg limit (just under 1 pint of beer) versus an 80mg limit in England and Wales. Whilst the UK Government has stated that there is to be no review of drink driving limits in England & Wales, groups continue to lobby for a change.	We continue to monitor this situation and believe that the current drink driving limits which are some of the most rigid in Europe should be maintained. At Christmas time we ensure that designated drivers are provided with a free of charge soft drink.
<b>Pensions:</b> The company has a defined pension scheme. The scheme is closed to new members and future accrual, which is in a surplus position. With such a scheme, a change in market conditions, life expectancy and future assumptions on inflation and yields can have a material effect on the levels of funding required from the business.	The company works closely with the trustees of the pensions scheme to ensure that we comply with the legislation on deficit funding. The scheme is currently in a surplus position. The investment strategy of the pension scheme tracks assets and liabilities in parallel ensuring any impact to the existing surplus will be minimal.



RISK	MANAGEMENT ACTIONS
Economic & Market Conditions	
<b>Consumer Trends:</b> Social and demographic changes are driving the eating out and drinking habits of our customers in both our pubs and retailers.	Demographic data and ongoing customer feedback enable us to be responsive to changing trends and customer needs.
	Our beer portfolio has a core audience and we have invested in consumer insight heavily this year to understand beer consumption trends. This insight has enabled us to develop new beer flavours that meet new customer demands and tastes and include new products that are relevant in our portfolio. This remains under constant review.
<b>Economic Climate:</b> The Wadworth business, as with all other businesses in our sector, is sensitive to economic conditions creating a downturn and subsequent consumer confidence and disposable income.	The company reviews the conditions and builds the impact into the budget. The company maintains a high quality estate of public houses and we constantly review the operational costs at our pubs to ensure that a competitive, quality offering is in place.
Financial Risks	
<b>Interest Rate Risks:</b> The Wadworth business is exposed to interest rate changes on its borrowings.	The debt and interest rate levels are continually monitored and a refinancing is ongoing ahead of September 2025 renewal.
<b>Internal Financial Controls:</b> A lack of control could result in errors in our financial statements or financial fraud or theft.	Wadworth has a robust internal control environment which is constantly under review. Our external auditors provide assurance that our controls are adequate.





# Independent Auditor’s Report

To the members of Wadworth and Company Limited

### Opinion

We have audited the financial statements of Wadworth and Company Limited (the ‘company’) for the period ended 4 January 2025 which comprise the income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company’s affairs as at 4 January 2025 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover

the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

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

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

### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### Responsibilities of directors

As explained more fully in the directors’ responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting

unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditor’s responsibilities for the audit of the financial statements

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

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities: We assessed the susceptibility of the company’s financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

Audit response to risks identified: We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the company’s records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the company’s policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We

assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner’s review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above 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. Also, 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.

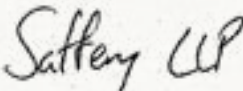
The auditor’s explanation of its audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity’s solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council’s website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor’s report.

### Use of our report

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



**David Sedgwick**  
Senior Statutory Auditor

17th April 2025

For and on behalf of  
Saffery LLP - Chartered Accountants Statutory Auditors  
St Catherine’s Court, Berkeley Place, Clifton, Bristol, BS8 1BQ



# Income statement

For the period ended 4 January2025

<div><div><div>SINCE 1875</div><div>WADWORTH</div><div>TRADITIONS WORTH HOLDING ON TO</div></div></div>	Notes	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Turnover	3	41,318	39,154
Cost of sales		(13,260)	(13,629)
<b>Gross profit</b>		<b>28,058</b>	<b>25,525</b>
Distribution costs		(20,160)	(18,731)
Administrative expenses		(4,387)	(4,097)
Other operating income	3	105	108
Exceptional items	4	(120)	(105)
<b>Operating profit</b>	<b>5</b>	<b>3,496</b>	<b>2,700</b>
Other interest payable and similar expenses	9	(2,471)	(2,365)
Other gains and losses	10	(213)	(204)
Revaluation of fixed assets	12	111	684
<b>Profit before taxation</b>		<b>923</b>	<b>815</b>
Tax on profit	11	(536)	(505)
<b>Profit for the financial period</b>		<b>387</b>	<b>310</b>

The income statement has been prepared on the basis that all operations are continuing operations.

# Statement of comprehensive income

For the period ended 4 January 2025

<div><div><div>SINCE 1875</div><div>WADWORTH</div><div>TRADITIONS WORTH HOLDING ON TO</div></div></div>	Notes	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Profit for the period		387	310
<b>Other comprehensive income</b>			
Revaluation of tangible fixed assets	12	3,740	661
Tax relating to other comprehensive income	11	(1,585)	28
<b>Other comprehensive income for the period</b>		<b>2,155</b>	<b>689</b>
<b>Total comprehensive income for the period</b>		<b>2,542</b>	<b>999</b>

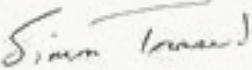


Statement of financial position

As at 4 January 2025

<div>SINCE 1875 WADWORTH TRADITIONS WORTH HOLDING ON TO</div>	Notes	Period ended 4 January 2025		Period ended 30 December 2023	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	12		121,511		115,234
Investment property	13		295		575
			121,806		115,809
<b>Current assets</b>					
Stocks	15	983		1,068	
Debtors	16	9,120		9,924	
Cash at bank and in hand		1,189		1,210	
		11,292		12,202	
<b>Creditors: amounts falling due within one year</b>	17	(39,321)		(33,827)	
<b>Net current liabilities</b>			(28,029)		(21,625)
<b>Total assets less current liabilities</b>			93,777		94,184
<b>Creditors: amounts falling due after more than one year</b>	18		(4,866)		(9,866)
<b>Provisions for liabilities</b>					
Deferred tax liability	20	8,491		6,440	
			(8,491)		(6,440)
<b>Net assets excluding pension liability</b>			80,420		77,878
<b>Defined benefit pension liability</b>	22		-		-
<b>Net assets</b>			80,420		77,878
<b>Capital and reserves</b>					
Called up share capital	21		7,594		7,594
Revaluation reserve			29,101		26,946
Profit and loss reserves			43,725		43,338
<b>Total equity</b>			80,420		77,878

The financial statements were approved by the board of directors and authorised for issue on 17th April 2025 and are signed on its behalf by:



W Simon Townsend  
Chairman

Registered Company Number: No. 00030177 (England and Wales)

Statement of changes in equity

For the period ended 4 January 2025

<div>SINCE 1875 WADWORTH TRADITIONS WORTH HOLDING ON TO</div>	Notes	Share capital £'000	Revaluation reserve £'000	Profit & loss reserves £'000	Total £'000
<b>Balance at 1 January 2023</b>		7,594	26,749	42,536	76,879
<b>Period ended 30 December 2023:</b>					
Profit for the period		-	-	310	310
Other comprehensive income:					
Revaluation of tangible fixed assets		-	661	-	661
Tax relating to other comprehensive income		-	28	-	28
<b>Total comprehensive income for the period</b>		-	689	310	999
Transfers		-	(492)	492	-
<b>Balance at 30 December 2023</b>		7,594	26,946	43,338	77,878
<b>Period ended 4 January 2025:</b>					
Profit for the period		-	-	387	387
Other comprehensive income:					
Revaluation of tangible fixed assets		-	3,740	-	3,740
Tax relating to other comprehensive income		-	(1,585)	-	(1,585)
<b>Total comprehensive income for the period</b>		-	2,155	387	2,542
<b>Balance at 4 January 2025</b>		7,594	29,101	43,725	80,420



# Statement of cash flows

For the period ended 4 January 2025

<div>SINCE 1875 WADWORTH TRADITIONS WORTH HOLDING ON TO</div>	Notes	Period ended 4 January 2025		Period ended 30 December 2023	
		£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Cash generated from operations	28		5,892		4,820
Interest paid			(2,471)		(2,365)
<b>Net cash inflow from operating activities</b>			<b>3,421</b>		<b>2,455</b>
<b>Investing activities</b>					
Purchase of tangible fixed assets		(4,450)		(3,900)	
Proceeds on disposal of tangible fixed assets		63		1,824	
Proceeds on disposal of investment property		307		-	
<b>Net cash used in investing activities</b>			<b>(4,080)</b>		<b>(2,076)</b>
<b>Financing activities</b>					
Proceeds from/(repayment of) borrowings		638		(1,805)	
<b>Net cash generated from/(used in) financing activities</b>			<b>638</b>		<b>(1,805)</b>
<b>Net decrease in cash and cash equivalents</b>			<b>(21)</b>		<b>(1,426)</b>
Cash and cash equivalents at beginning of period			1,210		2,636
<b>Cash and cash equivalents at end of period</b>			<b>1,189</b>		<b>1,210</b>





# Notes to the financial statements

For the period ended 4 January 2025

1. Accounting policies

Company information

Wadworth and Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is Folly Road Brewhouse, Folly Road, Roundway, Devizes, SN10 2HT.

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”) and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1,000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold and long leasehold properties and to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

We are currently in the process of refinancing our existing levels of debt with either our current or potentially new banking partners, or a combination of both. This activity is being provided by a debt broker and will not be finalised until the summer of 2025 in advance of our current products expiring on 30 September 2025. Having assessed the short and long-term cash flow requirements of the business funded by EBITDA growth forecast until year end 2026, the directors have concluded that it has sufficient resources to continue as a going concern, as negotiations with banking partners are in the final stages of agreements in principle.

1.3 Reporting period

The period end date has changed to be in line with the company policy to fall on a Saturday. The prior period figures still remain comparable year on year.

1.4 Turnover

Turnover represents the amounts derived from the provision of goods and services during the year, after the deduction of trade discounts and value added tax. Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. The following criteria must also be met before revenue is recognised:

**Sale of goods:** 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 or at the point of sale at our retail outlets, and the amount of the revenue can be measured reliably.

**Rendering of services:** revenue from the supply of accommodation is recognised at the point services are provided. Rental income is recognised on a straight line basis over the term. Net takings from machine income are recognised as earned.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Freehold property improvements	10% straight line
Leasehold land and buildings	Period of the lease
Plant and equipment	11% to 33% reducing balance
Fixtures and fittings	10% straight line
Motor vehicles	30% reducing balance

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

1.6 Property and equipment repairs

Costs associated with the repair of property or equipment assets that are not capital in nature may be held as a prepayment on the balance sheet and released over a period of between 12 and 36 months to the income statement. These include, but are not limited to, large scale roof repairs that are not an enhancement but do add a longer-term economic benefit rather than short term fixes.

1.7 Investment properties

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.

1.8 Stocks

Stocks are stated at the lower of cost and net realisable value. The cost of stocks produced by the company comprises materials and directly attributable production costs; stocks of bought-in goods are valued at their purchase costs with no further overhead additions.

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 profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.9 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.

1.10 Financial instruments

The company 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 company’s statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors, 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 profit and loss, 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 profit or loss.

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 profit or loss.

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 company 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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 profit or loss 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 profit or loss 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 company's contractual obligations expire or are discharged or cancelled.

1.11 Equity instruments

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

1.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.13 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

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

The company closed its defined benefit (final salary) pension scheme to new members and future service accrual on 30 November 2006. The assets of the scheme are held separately from those of the company and the funds continue to be administered by the Trustees and are independent of the company's finances. Contributions are paid in accordance with the recommendations of an independent actuary.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The costs are recognised as an expense in measuring profit or loss in the period.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.15 Leases

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 leases asset are consumed.

1.16 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.18 Exceptional items

Items which fall outside of the ongoing activities of the company are separately disclosed in the statement of comprehensive income where they are relevant to understanding the true and fair view of the financial performance of the company for the period reported.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

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

Fixed assets

Freehold, long leasehold property and investment property are held at fair value. This value has been derived from a combination of an independent valuation expert and the directors of the company. This is reviewed on an annual basis by the company's directors.

For all other asset classes, regular consideration is given to possible impairment.

Defined benefit pension scheme

This is a closed scheme and the figures stated in the accounts are prepared by the scheme's actuary and set out in note 22.

3. Turnover and other revenue

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Turnover analysed by class of business		
Goods income	34,382	32,557
Service income	6,936	6,597
	41,318	39,154

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Other significant revenue		
Grants received	105	108



4. Exceptional items

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Reorganisation costs	120	105

5. Operating profit

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Operating profit for the period is stated after charging/(crediting):		
Government grants	(105)	(108)
Depreciation of owned tangible fixed assets	1,921	1,944
Loss on disposal of tangible fixed assets	40	1
Profit on disposal of investment property	(27)	-
Operating lease charges	881	840

6. Auditor’s remuneration

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Fees payable to the company’s auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	68	72
<b>For other services</b>		
Taxation compliance services	12	12
All other non-audit services	8	16
	20	28

7. Employees

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

	Period ended 4 January 2025 Number	Period ended 30 December 2023 Number
Administrative	65	64
Sales and distribution - Retail premises	494	458
Total	559	522

Their aggregate remuneration comprised:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Wages and salaries	10,885	9,877
Social security costs	827	716
Pension costs	416	576
	12,128	11,169

8. Directors’ remuneration

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Remuneration for qualifying services	688	626
Company pension contributions to defined contribution schemes	37	37
	725	663

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (Period ended 30 December 2023 - 3).

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 1 (Period ended 30 December 2023 - 1).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Remuneration for qualifying services	211	185
Company pension contributions to defined contribution schemes	20	18



9. Interest payable and similar expenses

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	2,001	1,895
Dividends on redeemable preference shares not classified as equity	470	470
	2,471	2,365

10. Other gains and losses

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Fair value (losses) on financial instruments		
Changes in the fair value of derivatives	(213)	(204)

11. Taxation

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Deferred tax		
Origination and reversal of timing differences	536	505

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Profit before taxation	923	815
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (Period ended 30 December 2023: 23.52%)	231	192
Tax effect of expenses that are not deductible in determining taxable profit	108	211
Tax effect of income not taxable in determining taxable profit	(6)	-
Change in unrecognised deferred tax assets	(108)	-
Effect of change in corporation tax rate	-	29
Permanent capital allowances in excess of depreciation	122	43
Adjustments in respect of financial assets	53	(51)
Change in deferred tax with respect to revaluations	136	(131)
Chargeable gains	-	212
Taxation charge for the period	536	505

In addition to the amount charged to the income statement, the following amounts relating to tax have been recognised directly in other comprehensive income:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Deferred tax arising on: Revaluation of property	1,585	(28)



## 12. Tangible fixed assets

	Freehold property & improvements £'000	Leasehold land and buildings £'000	Assets under construction £'000	Plant and equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>							
At 31 December 2023	101,414	7,848	1,165	18,851	12,408	151	141,837
Additions	2,466	114	604	354	912	-	4,450
Disposals	-	-	(49)	(14)	(70)	(1)	(134)
Revaluation	2,749	1,102	-	-	-	-	3,851
Transfers	514	-	(919)	11	394	-	-
At 4 January 2025	107,143	9,064	801	19,202	13,644	150	150,004
<b>Depreciation and impairment</b>							
At 31 December 2023	777	3,416	-	14,544	7,780	86	26,603
Depreciation charged in the period	369	303	-	266	963	20	1,921
Eliminated in respect of disposals	-	-	-	(7)	(23)	(1)	(31)
At 4 January 2025	1,146	3,719	-	14,803	8,720	105	28,493
<b>Carrying amount</b>							
At 4 January 2025	105,997	5,345	801	4,399	4,924	45	121,511
At 30 December 2023	100,637	4,432	1,165	4,307	4,628	65	115,234

The carrying value of land and buildings comprises:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Freehold	105,997	100,637
Long leasehold	4,375	3,453
Short leasehold	970	979
	111,342	105,069

The fair value of the freehold and long leasehold property portfolio has been arrived at on the basis of a rolling valuation as at 4 January 2025, over 25% of the portfolio, by Savills plc, independent valuers not connected with the company. The valuation was made on an open market value basis by reference to recent market transactions for similar properties.

The fair value of the remaining 75% of the property portfolio has been arrived at on the basis of a valuation carried out at 4 January 2025 by the Directors of the company. They have carried this out by applying relevant benchmarks used in the Savills valuation and reviewing market data.

Freehold and leasehold land and buildings are carried at valuation. If freehold and leasehold land and buildings were measured using the cost model, the carrying amounts would have been approximately £79,592,000 (30 December 2023 - £77,757,000), being cost £84,929,000 (30 December 2023 - £81,949,000) and depreciation £5,337,000 (30 December 2023 - £4,192,000).

## 13. Investment property

	Period ended 4 January 2025 £'000
<b>Fair value</b>	
At 31 December 2023	575
Disposals	(280)
At 4 January 2025	295

Investment property comprises residential properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out by the Directors by reference to market evidence of transaction prices for similar properties.

## 14. Financial instruments

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
<b>Carrying amount of financial assets</b>		
Instruments measured at fair value through profit or loss	-	213

## 15. Stocks

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Brewing materials, bottled alcohol, minerals and consumables	701	789
Stocks at retail premises	282	279
	983	1,068



16. Debtors

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
<b>Amounts falling due within one year:</b>		
Trade debtors	1,824	1,810
Prepayments and accrued income	2,351	2,886
	4,175	4,696
<b>Amounts falling due after more than one year:</b>		
Derivative financial instruments	-	213
Deferred tax asset (note 20)	4,945	5,015
	4,945	5,228
<b>Total debtors</b>	<b>9,120</b>	<b>9,924</b>

17. Creditors: amounts falling due within one year

	Notes	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Bank loans and overdrafts	19	32,889	27,251
Trade creditors		1,965	2,114
Business Partner deposits		933	935
Taxation and social security		1,183	1,318
Other creditors		2,351	2,209
		39,321	33,827

18. Creditors: amounts falling due after more than one year

	Notes	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Bank loans and overdrafts	19	-	5,000
Preference shares	19	4,866	4,866
		4,866	9,866

The preference share liabilities are made up of £923,000 10.25% cumulative £1 preference shares and £3,943,000 9.5% cumulative £1 preference shares.

On return of capital on liquidation and where the preference shares are not listed, any unpaid dividends and a premium of 10p per share is due to the preference shareholders in priority to other share classes.

19. Loans and overdrafts

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Bank loans	32,889	32,251
Preference shares	4,866	4,866
	37,755	37,117
Payable within one year	32,889	27,251
Payable after one year	4,866	9,866

The long-term loans are secured by floating charges over all property, rights and assets both present and future.

The company has five secured, interest only loans which fall due within one year from 4 January 2025 and carry variable interest rates of between 2.0% and 2.3% above the Bank of England base rate.



20. Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities Period ended 4 January 2025 £'000	Liabilities Period ended 30 December 2023 £'000	Assets Period ended 4 January 2025 £'000	Assets Period ended 30 December 2023 £'000
<b>Balances:</b>				
Accelerated capital allowances	3,308	2,953	-	-
Tax losses	-	-	4,945	5,015
Revaluations	4,038	2,289	-	-
Derivatives	-	53	-	-
Rolled over gains	1,145	1,145	-	-
	<b>8,491</b>	<b>6,440</b>	<b>4,945</b>	<b>5,015</b>

	Period ended 4 January 2025 £'000
<b>Movements in the period:</b>	
Liability at 31 December 2023	1,425
Credit to profit or loss	536
Credit to other comprehensive income	1,585
<b>Liability at 4 January 2025</b>	<b>3,546</b>

The deferred tax liability set out above in relation to accelerated capital allowances is expected to reverse in stages over the lives of the assets. It cannot be said with any certainty as to what this period will be given any disposal will result in an earlier reversal of the liability.

The deferred tax liability set out above in relation to the revaluation of freehold and long leasehold properties will be reversed on sale or fall in market value of these properties. It therefore cannot be said with any certainty as to when this liability will reverse however it is not expected to be within the next 12 months.

Finance Bill 2021 increased the rate of corporation tax from 19% to 25% as of 1 April 2023. As this is the substantively enacted rate at the year end, deferred tax has been recorded at 25%.

21. Share capital

	Period ended 4 January 2025 Number	Period ended 30 December 2023 Number	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Ordinary share capital				
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	2,091,852	2,091,852	2,092	2,092
'A' Ordinary shares of £1 each	5,502,034	5,502,034	5,502	5,502
	<b>7,593,886</b>	<b>7,593,886</b>	<b>7,594</b>	<b>7,594</b>

Each Ordinary share has one vote per every £1 of Ordinary share capital.  
Each 'A' Ordinary share has one vote per every £4 of 'A' Ordinary share capital.  
There are no restrictions on the distribution of capital on wind up.

22. Retirement benefit schemes

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	416	576

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

**Defined benefit schemes**  
The company operates a defined benefit scheme for qualifying employees. The assets of the Scheme are held in a separate trustee administered fund. The Scheme closed to future accrual on 30 November 2006. A schedule of contributions is agreed between the company and the trustees after each comprehensive actuarial valuation.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out as at 31 December 2021 by XPS Pensions Consulting Limited, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.



	Period ended 4 January 2025 %	Period ended 30 December 2023 %
<b>Key assumptions</b>		
Discount rate	5.55	4.70
Expected rate of increase of pensions in payment	3.15	3.10
RPI assumption	3.25	3.20
CPI assumption	2.45	2.40

	Period ended 4 January 2025 Years	Period ended 30 December 2023 Years
<b>Mortality assumptions</b>		
Assumed life expectations on retirement at age 65:		
Current pensioners		
Males	21.4	21.5
Females	23.7	23.1
Future pensioners (now aged 45):		
Males	23.0	23.0
Females	25.1	25.0

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
<b>Amounts recognised in the income statement</b>		
Net interest on defined benefit (asset)	(155)	(162)

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
<b>Amounts taken to other comprehensive income</b>		
Actual return on scheme assets	945	(859)
Less: calculated interest element	754	784
Return on scheme assets excluding interest income	1,699	(75)
Actuarial changes related to obligations	(1,096)	202
Effect of changes in the amount of surplus that is not recoverable	(448)	35
Total costs	155	162

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Present value of defined benefit obligations	11,928	13,051
Fair value of plan assets	(14,790)	(16,361)
Surplus in scheme	(2,862)	(3,310)
Restriction on scheme assets	2,862	3,310
Total liability recognised	-	-

	Period ended 4 January 2025 £'000
<b>Movements in the present value of defined benefit obligations</b>	
Liabilities at 31 December 2023	13,051
Benefits paid	(626)
Actuarial gains and losses	(1,096)
Interest cost	599
<b>At 4 January 2025</b>	<b>11,928</b>

	Period ended 4 January 2025 £'000
<b>The defined benefit obligations arise from plans funded as follows:</b>	
Wholly unfunded obligations	-
Wholly or partly funded obligations	11,928
	<b>11,928</b>



	Period ended 4 January 2025 £'000
<b>Movements in the fair value of plan assets</b>	
Fair value of assets at 31 December 2023	16,361
Interest income	754
Return on plan assets (excluding amounts included in net interest)	(1,699)
Benefits paid	(626)
At 4 January 2025	14,790

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
<b>Fair value of plan assets at the reporting period end</b>		
Equity instruments	262	255
Debt instruments	14,300	15,186
Property	344	900
Cash and other	(116)	20
	14,790	16,361

23. Capital commitments

Amounts contracted for but not provided in the financial statements:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Acquisition of tangible fixed assets	306	116

24. Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Within one year	809	725
Between two and five years	2,796	2,761
In over five years	4,567	4,402
	8,172	7,888

Lessor

The operating leases represent leases of tenanted pubs to third parties. The leases are negotiated over terms of 1 - 10 years and rentals are fixed for the same period. The below sets out the contractual arrangements in place however lease terms are typically renewed after each termination date resulting in the company having a consistent inflow of rental income in each financial year.

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

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Within one year	3,737	3,363
Between two and five years	6,672	7,700
In over five years	21	18
	10,430	11,081

25. Related party transactions

There were no transactions with the directors during the year other than the payment of their emoluments and incidental purchases of goods from the company. The directors receive a modest discount in line with that given to other staff.

The Wadworth and Company Limited Pension Scheme, of which C J E Bartholomew and D Webber are Trustees, is a related party to the company. Contributions to the scheme paid in the period ended 4 January 2025 were £nil (period ended 30 December 2023: £57,000). At the period ended 4 January 2025, the scheme owed the company £123,000 (period ended 30 December 2023: £115,000).



26. Ultimate controlling party

The Company does not have an ultimate controlling party.

27. Effects of items relating to prior periods

In the accounting period for 2024 it was identified that several items were held as repair prepayments on the balance sheet to be released into the income statement over a period of between 12 and 36 months that were subsequently identified as capital in nature. This totalled £585,000. These items related to costs incurred in 2023 and prior and have therefore been reclassified to tangible fixed assets following a review. It was concluded that the impact on the income statement was not material and the balance sheet impact was not qualitatively material. Therefore, no prior year adjustment has been made.

28. Cash generated from operations

	Period ended 4 January 2025 £'000	Period ended 30 December 2023 £'000
Profit for the period after tax	387	310
Adjustments for:		
Taxation charged	536	505
Finance costs	2,471	2,365
Loss on disposal of tangible fixed assets	40	1
Gain on disposal of investment property	(27)	-
Depreciation and impairment of tangible fixed assets	1,921	1,944
Other gains and losses	102	(480)
Movements in working capital:		
Decrease in stocks	85	150
Decrease/(increase) in debtors	521	(509)
(Decrease)/increase in creditors	(144)	534
Cash generated from operations	5,892	4,820

29. Analysis of changes in net debt

	31 December 2023 £'000	Cash flows £'000	Market value movements £'000	4 January 2025 £'000
Cash at bank and in hand	1,210	(21)	-	1,189
Borrowings excluding overdrafts	(37,117)	(425)	(213)	(37,755)
	(35,907)	(446)	(213)	(36,566)







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