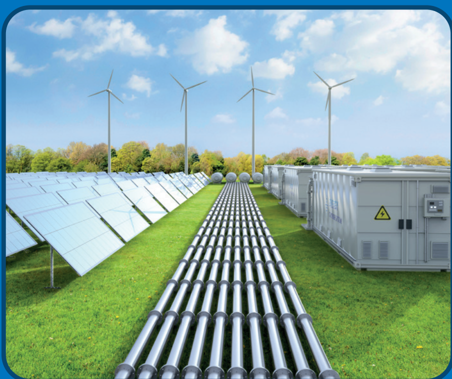
Dawsongroup plc

Annual Report & Accounts 2023

Dawsongroup



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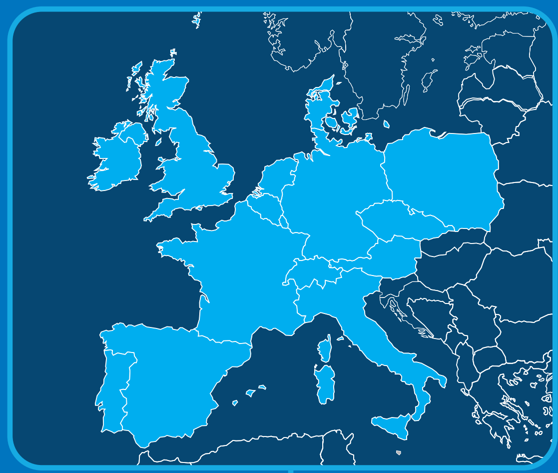
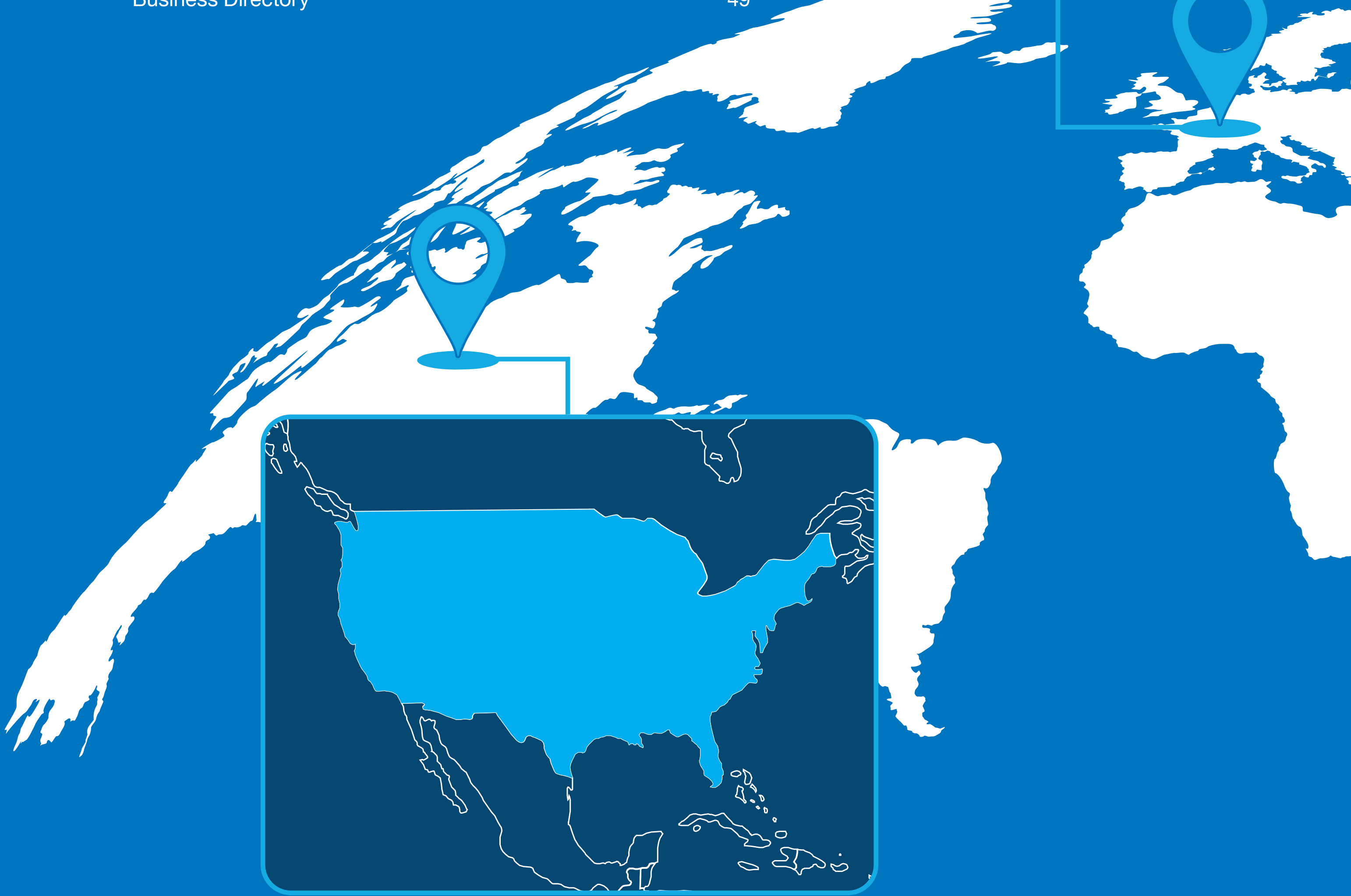




Corporate Statement

Dawsongroup is one of Europe's leading asset rental, leasing and contract hire businesses and the UK's largest independent company in this sector, specialising in a wide range of commercial vehicles, buses, coaches, material handling, sweepers and temperature-controlled products. The group also owns a dedicated finance company supporting all group sales activities, as well as providing direct finance services.

Dawsongroup owns over 32,000 high quality premium assets, rented to a broad customer base of large reputable companies.

Chairman's Statement

Peter M Dawson

Dawsongroup has delivered another strong performance in 2023 with significant investment made into the fleet and asset base and the group's infrastructure and facilities. The customer proposition has been expanded with entry into exciting new markets that offer further scope for growth. The Dawsongroup proposition continues to centre around the guiding principles of growing our long-term customer relationships by investing in both our assets and the team that manages and supports them.

The business has reported growth across a number of key metrics with fleet size growing to over 32,000 assets. The number of employees now totals over 1,000 across 11 countries. The market tailwinds of the Covid period continued into 2023 before a slow and irregular return to a more normal competitive environment with all the opportunities and challenges that ensue.

New vehicle and equipment prices have in the main, retained the inflated prices of the post Covid period and combined with a prolonged period of higher interest rates have led to inflationary pressure across the asset rental market in the UK. Inflationary pressures faced by the economy as a whole, together with rising manufacturer pricing, employment costs and higher interest rates has had a disproportionate impact on the asset leasing market. Whilst Dawsongroup is not immune to this market volatility and has been required to increase rental rates – our long-term supplier and customer relationships and access to competitive funding has meant that the group is able to support our customers with competitive pricing. Dawsongroup is well placed in each of the markets in which it operates.

Dawsongroup has maintained its policy of continuing to invest in modern high-quality assets – prioritising strong credit worthy customers prepared to engage in a long-term contractual relationship. This has ensured that Dawsongroup has been able to maintain its low risk, low geared approach to asset provision with notable success.

Customer and staff loyalty have been key features throughout the volatility of the last couple of years. In particular, I would like to thank the board, management and staff of Dawsongroup for their continued commitment to the Group's success.

Many of our key customers have chosen Dawsongroup as their preferred supplier over many years, with a willingness to enter long term contractual partnerships to become a critical part of our forward planning, both in terms of asset acquisition and renewal timing. Dawsongroup has embarked on a low carbon/zero carbon strategy which continues to be developed and implemented and is an integral part of our future plans. Further information on this can be found on pages 9 to 11.

With modern assets and great people, we are also investing in new facilities. Our recent developments at Heathrow, Avonmouth and in Spain have contributed to our success.

Dawsongroup has continued to maintain excellent relationships with its banks and lenders - and having gained and maintained investment grade rating, our ability to fund ongoing growth has been strengthened.

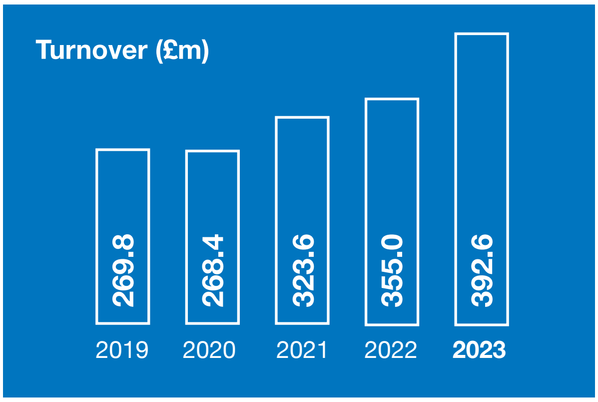
Results and dividends

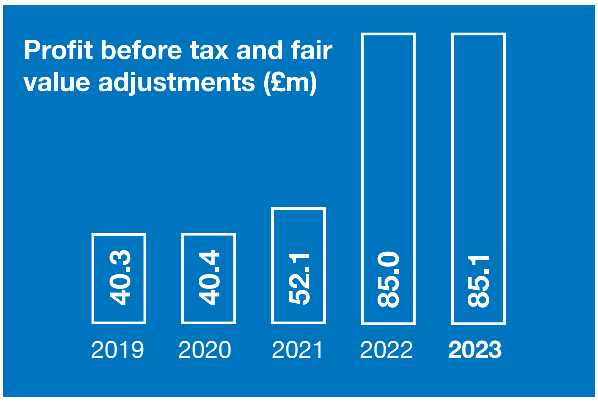
On turnover of £392.6m (2022: £355.0m), profit before tax, exceptional items and fair value adjustments increased by £0.1m to £85.1m (2022: £85.0m). The dividends for the year amounted to £8m (2022: £9m).

Balance sheet

Capital expenditure for the year amounted to £370.1m compared with £269.1m in the previous year. Asset disposal profits of £30.8m (2022: £34.1m plus exceptional of £41.4m) were achieved from proceeds of £81.5m (2022: £91.9m plus exceptional of £42m). These, together with operational cash flows of £235.2m (2022: £118.6m), meant that net debt increased by £78.2m to £439.5m.

Gearing increased to 78% (2022: 71%) which continues to reflect the group's strategy of maintaining a model of





below 100%. Unexpired contract revenue stood at £289.5m compared with £273.6m last year. Interest was covered 8.6 times by operating profit (2022: 15.5 times).

People

Dawsongroup's reputation as an excellent employer was enhanced in recent years through the support provided to its people. This focus and investment in our people continues with a series of staff recognition awards and early wage rate actions, which has ensured that staff retention has been excellent. Dawsongroup is known across the industry as a great place to work and this supports the group in both the retention and recruitment of the best talent.

Dawsongroup's accreditation with the Good Business Charter continues, as well as its commitment to staff development through the Dawsongroup Futures programme.

Ian Jones, retired from the board at the end of 2023, having made a great contribution to the development of Dawsongroup over the past 11 years as a non-executive director. His depth of industry knowledge and independent thinking has been much valued and appreciated by our company and I speak for everyone at Dawsongroup in wishing Ian well for the future.

Outlook

The market outlook for the economy remains uncertain and given the wider geopolitical uncertainty it feels unlikely that this will improve significantly in the near future. Dawsongroup's strategy of managing risk through a disciplined longer-term approach to customer selection and market entry has mitigated much of this risk.

Over a number of years Dawsongroup has looked to diversify into different sectors and markets. The product portfolio of Dawsongroup EMC has grown significantly, largely with high value, long lead time assets that have doubled the business scope. The newly established Dawsongroup Energy Solutions opens a whole new market sector which is complementary both to a number of Dawsongroup business units and our zero-carbon goal. The focus on the transition from internal combustion engines (ICE) continues with Dawsongroup vans enhancing its portfolio with a range of EV products including a new EV cargo bike.

New markets are also being developed. Dawsongroup New Zealand is a small but developing business that creates a presence for potential opportunities in Australasia and the Far East. Dawsongroup USA is also showing promising early results and potential, although it has proved to be a slow burn to fulfil the strategic objective of creating a significant North American business.

The outlook for 2024 is business as usual, consolidating on the outstanding performance of recent years. Substantial embedded profits remain in the fleet, and these will continue to be realised as the assets are defleeted. It is anticipated that profits on disposal will normalise as the next cycle of assets entered the fleet at higher cost prices. Residual values for defleeted vehicles are supported by the high price of equivalent new vehicles. Dawsongroup's buying power, ownership and control of the disposal channels, expertise in asset management and client selection will ensure that the group will continue to outperform the market across the life cycle of our assets.

Peter M Dawson B Eng, FIMI
Chairman, 14 May 2024

Strategic Report

Stephen J Miller

Dawsongroup's strong financial and operating performance is achieved through close management of its diverse portfolio of asset rental, leasing and contract hire products with common engineering or customer profiles. Tight cost control, rigid risk management, professional purchasing and asset disposal are all significant contributors to the group's success.

Anthony Coleman

Strategic Review

	2023 £m	%	2022 £m	%
Trucks and trailers	**130.8**	**33.3**	125.0	35.2
Vans	**92.6**	**23.6**	83.3	23.5
Material handling and sweepers	**57.2**	**14.6**	42.3	11.9
Temperature-controlled products	**75.4**	**19.2**	74.4	20.9
Buses and coaches	**35.2**	**9.0**	26.9	7.6
Finance services	**1.4**	**0.3**	3.1	0.9
Group revenue	**392.6**	**100.0**	355.0	100.0

The market has encountered a recalibration in pricing with asset price inflation, higher interest rates and general increase in stock availability. Whilst this will present challenges to Dawsongroup, the focus on a strong contractual base and ongoing high levels of asset utilisation will protect the business from short term volatility. Dawsongroup provides assets that service a wide selection of end markets and as such remains a robust and well diversified business.

The UK Government's decision to delay the removal of petrol and diesel powered vehicles until 2035 has impacted on EV residual values in the short term. Dawsongroup remains excited about the opportunities that the transition from hydrocarbon fuels and ICE will present to the group and our long-term focus on being at the forefront of low carbon and zero carbon fleets will continue whilst at the same time being flexible to navigate short-term policy and market changes.

Dawsongroup Energy Solutions is a new venture with much potential and very relevant at a time of rising energy costs and consumer nervousness over the availability of EV charging points, limiting the uptake of EVs. Much potential also exists for Tempstore, our inflatable structure business, that is now part of Dawsongroup Temperature Controlled Solutions (TCS). With our increased global presence, offering both ambient, refrigerated and freezer storage that can be transported and implemented quickly has great appeal to many global humanitarian and government defence organisations.

Dawsongroup's strategy remains one of low risk, well-funded,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carefully managed growth. The business has benefited from the market tailwinds of 2021 into 2023, with strong residual values and an undersupply of assets – however our focus throughout this period was to support our clients and to build long term relationships in sectors where we understand the fundamentals and see long term sustainable opportunities. We have taken the opportunity to reinvest in the fleet, people and our infrastructure which will strengthen our long-term position as the leading independent provider in the majority of the markets in which we operate.

Looking forward there are a host of opportunities to consider as the market normalises. New markets and new products are being evaluated and the group remains alert to acquisition opportunities that complement Dawsongroup.

Trucks and trailers

In recognition of its success, Dawsongroup Truck and Trailer won the rental and contract hire company of the year award at the 2023 TCS&D awards for the second successive year.

There is no doubt that Dawsongroup Truck and Trailer has become the leader in this highly competitive market sector, with 2023 generating over a £100 million of new signed business, of which nearly 75% was secured on long term contracts. This has largely been achieved through excellent customer service and delivering Dawsongroup's smarter asset strategy through the local branch network. While equipment supply has been an ongoing issue, strategic supplier partnerships and robust forward planning have insulated Dawsongroup customers from many of these challenges.

With increased pressure on decarbonising road transport, Dawsongroup has taken an industry leading approach, earning a reputation as an influential first mover, enabling us to evaluate and validate technology without bias, providing customers with a lower risk entry route.

We have made significant progress in enabling our customers to replace secondary diesel engines in temperature-controlled vehicles and continue to broaden our proposition through investment in solar hybrid fridge trailers, full electric fridge trailers and direct drive refrigeration for rigid fleets. These market leading ESG driven propositions are being well received by our blue-chip customer base who are tasked by their own stakeholders (be it shareholders, lenders, customers, regulators) to decarbonise their businesses. Electric truck trials have also been underway throughout the year, often in conjunction with our customers, and we are well placed to be at the forefront of the deployment of these assets.

2024 sees Dawsongroup Truck and Trailer, the birthplace of asset rental within the group, celebrate its 50th anniversary.

Vans

New vehicle availability and significant inflation in new vehicle pricing were key features throughout 2023, albeit with some improvements in supply towards the year end.

Trucks and trailers

Energy solutions

Dawsongroup remained committed to investment in the fleet and was able to leverage our relationships with the OEMS to secure supply. Our scale enabled us to largely mitigate the supply constraints so whilst there was a small reduction in fleet size and slight increase in the average fleet age, the fleet profile was largely maintained. By optimising our customer relationships, increasing our in-house maintenance capacity and carefully managing vehicle exchanges, profitability improved.

Used vehicle disposal was supported through the Van Ninja in house leasing offer and online retail sales both of which are growing well, combined with a low-cost trade sales offer. These disposal capabilities enable Dawsongroup to capture a greater share of the lifetime value of our vehicles and to better manage the whole fleet life process.

Dawsongroup Vans continues to grow its EV fleet, investing £2.5 million in electric vehicles in 2023 and with the goal of achieving 10% of total fleet by the end of 2024. A new dedicated EV team has been established to accelerate our growth.

Bus and Coach

Dawsongroup Bus and Coach had another excellent year, with consistent revenue and profit growth throughout 2023, despite the same asset cost inflation that has prevailed throughout the market.

Disposal values have remained high due to continued limited availability in several bus and coach sectors, which has forced management to limit the release of assets for sale, while maintaining exceptional levels of utilisation.

The bus and coach sector has shown huge demand for zero emission vehicles but although a number of EV options are being trialled, Dawsongroup policy is to move with caution until whole life costs characteristics are more fully understood, specifically the development of an aftermarket for these vehicles that are traditionally sold to overseas customers. The transition of bus and coaches away from ICE is an exciting opportunity for the group.

Dawsongroup Bus and Coach has an outstanding reputation in its sector and celebrates its 30th anniversary in 2024, starting the new year in excellent shape.

Environmental Municipal Civil

Dawsongroup EMC encompasses a broad product portfolio targeting local authority, utility and construction organisations. Products include road sweepers, refuse collection vehicles, gully tankers, excavators, cage tippers, hot boxes and the new JCB pothole pro machines.

Dawsongroup's loyal customer base appreciate this one stop shop solution, knowing that EMC assets are modern, reliable and well maintained with an excellent backup service. They also appreciate that many of these assets are high value, with long lead time availability, so the business's ability to plan and secure these products ahead of customers' ability to commit, gives Dawsongroup a significant market advantage.

Vans


Environmental Municipal Civil

Dawsongroup EMC continues to grow at pace opening an operation in Ireland to further exploit market opportunity. The strategy remains focused on leveraging our market leading capabilities.

Material Handling

Dawsongroup's MH proposition is differentiated. The wider MH sector is dominated by manufacturers who operate leasing businesses and have direct links with end users. Dawsongroup doesn't operate in this part of the market and has developed a reputation for the wider service levels that form part of the MH package. Provision of these services has enabled us to develop a core customer base and long-term contractual relationships. The business continues to go from strength to strength and has delivered another year of growth across all key metrics.

During 2023, our continued investment in new equipment focused 85% on electric powertrains, with the goal of having over 90% of the total fleet electric by the end of 2027, well ahead of the growing electrification trend.

Our relatively new robotics and automation business was incorporated into MH during 2023 and given a dedicated resource and management team. With industry wide staff shortages, supply chain disruption and rising freight costs, there is a growing demand for improved order fulfilment processes through automation providing a new market sector for Dawsongroup to exploit.

Temperature Control

Dawsongroup TCS continues to be a profitability bedrock of the Dawsongroup business units, providing a range of portable cold stores and purpose-built systems principally serving the food manufacturing and pharmaceutical industries, with an outstanding reputation for technical innovation and customer service.

With a focus on securing long term contracted revenue, it was pleasing that, despite turmoil in the food manufacturing sector, fleet assets grew by nearly 10% and overall revenue by 5%, re-affirming Dawsongroup as the first-choice provider.

Also pleasing was the securing of three long term contracts for the provision of high roof facilities averaging over 500 square metres each, and a four-year multi-site contract for a large logistics provider.

The European cold store businesses also performed well, contributing 14% of overall Dawsongroup profitability. The new cold store businesses established in the USA and New Zealand are also making good progress and will provide wider growth opportunities in the near future.

This is particularly true for Dawsongroup Tempstore inflatable products – offering a highly portable and flexible solution for ambient, chilled and frozen storage. After being awarded the Queen's Award for Enterprise and early success with the World Food Programme, there is global interest in a cold store that can be shipped worldwide and deployed with ease.

Material Handling

Temperature controlled products

Finance

At the time of rising interest rates and a declining risk appetite from key finance providers, the Dawsongroup Board took the opportunity to bolster Dawsongroup Finance by investing £50m of own book funding to grow our loan book. With rising interest rates, the business has experienced a growth in the demand for finance from across our customer base.

Dawsongroup Finance has improved its systems and headcount to facilitate growth which along with the increased book has contributed to profitability trebling during 2023.

Reflecting Dawsongroup's low risk approach and the quality of its customer base, the finance portfolio had no delinquencies in 2023, an outstanding achievement given rising interest rates and their knock-on effect.

Other

The group has three dedicated asset disposal arms which operate on a national basis: Dawsondirect, Ventura, the bus and coach specialist and Van Ninja. All have built enviable reputations for the quality and condition of the products they sell and the customer service that they provide. The other divisions dispose of their ex-hire fleet assets through their own resources.

Employees

We would like to express our gratitude to our workforce for their continued dedication and hard work which will ensure the continued success and growth of Dawsongroup.

Outlook

The business has continued to make significant progress during 2023. Dawsongroup has consistently invested in its asset base, our people and our infrastructure. This investment consolidates our position as the market leader in the majority of the markets in which we operate. We are confident that we continue to provide a differentiated proposition to our customers and that our customers value this. Our focus remains to support our long-term customers, to operate in markets in which we understand the risks and to qualify growth opportunities before investing to support them.

We are optimistic about the future, are conscious of the challenges that the economy faces but are excited about the opportunities that are available to continue the growth of the group.

Energy and carbon reporting

The group reports on all of the greenhouse gas (GHG) emission sources as required under the Streamlined Energy and Carbon Reporting (SECR) legislation 2018.

Methodology

The methodology adopted to calculate the group's GHG emissions is the GHG Protocol Corporate Accounting and Reporting Standard, using the operational control approach. Given the nature of the Dawsongroup businesses, namely the lease and rent of mobile and stationary assets, we employ an operational control approach which means we only report on the emissions produced by our financial assets when we operate said assets (i.e. the assets are not on hire). All emissions factors employed are provided by HM Government's published Conversion Factors 2023, from the Department for Energy Security and Net Zero (DESNZ).

Scope of reporting

The Group operates 45 sites throughout Great Britain, encompassing administrative headquarters, rental branches, depots, and shared offices — all of which are included in this report. Utility invoices serve as the primary source of consumption data for grid electricity and gas. We consistently provide regular meter reads from all our sites to maintain accurate and current consumption figures. At ten of our sites, we depend on consumption data provided by our landlords, who manage the energy procurement at those sites.

Diesel, LNG, propane and kerosene emissions are calculated from the sum total of all purchased quantities during the reporting period, as indicated on invoices. The emissions linked to business travel in company-owned vehicles have been determined as a portion of the overall Shell Card expenditures. This calculation relies on the business mileage reported by employees who use company cars, compared to their reported private and commuting mileage.

Our GHG emissions and energy consumption is disclosed in the following table: -

GHG emissions data	2023 Tonnes of CO_2e	2022 Tonnes of CO_2e
Scope 1 – Combustion of fuel and operation of facilities (tonnes CO_2 emissions)		
Emissions associated with direct activities: heating offices and branches and running our commercial vehicles and company cars	3,380	2,670
Scope 2 – Electricity, heat and steam (tonnes CO_2 emissions)		
Emissions from indirect production electricity, heat & steam purchased for own use (location based)	474	511
Intensity measurement (Tonnes CO_2 per £m of revenue)	9.8	9.0

Energy usage	kWh	kWh
Energy consumption (kWh)		
Combustion of fuel and operations of facilities	14,936,739	11,506,306
Electricity, heat and steam	2,291,291	2,131,054

Our emissions have experienced an increase compared to our reported levels in 2022. This surge can be principally attributed to heightened business mileage, driven by the post Covid recovery and the resurgence of in-person business meetings as the standard practice. To address this the group has and will continue to invest in hybrid and full EV cars.

These accounts reflect our commitment to transparency and sustained environmental improvement, underpinned by our acknowledged responsibility to meet our decarbonisation targets as a central pillar of our ESG strategy.

Energy Efficiency

The Group is dedicated to reducing its energy consumption and the associated carbon footprint across our operations. In 2023 we installed an additional two solar arrays at two of our highest consumption sites to complement our reliance on grid electricity with renewable energy generated onsite. The estimated generation across these installations is 105,000 KWh. Furthermore, we've expanded into the energy and decarbonization field with Dawsongroup Energy Solutions, employing energy and consulting professionals to manage decarbonization initiatives for both the Group and our external clients.

Environmental, Social and Governance Indicators

Energy and its associated emissions have never been more prominently featured on the world agenda. Against the backdrop of a global pandemic that drove energy prices to unprecedented lows, the landscape swiftly changed following the global recovery and supply side issues which, followed by the war in Ukraine, saw historic lows swiftly replaced by historic highs. This ushered in a period of global inflationary pressures that significantly disrupted and compounded the complexities of an already strained supply chain.

Amidst the escalating drive for decarbonisation and the global effort to achieve net-zero emissions, the energy sector is undergoing a seismic transformation in market dynamics, technological advancements, and energy security. Recognising the burgeoning opportunities within the swiftly decentralising energy market, Dawsongroup is embracing diversification through Dawsongroup Energy Solutions. Established in 2022.

The total global enterprise of the climate solutions supply chain is predicted to grow to between $5-11 trillion by 2030 (WEF 2024). As an established global entity with extensive industry connections and a USP which includes the capacity to offer customers financing solutions through Dawsongroup Finance, enabling expedited access to low and zero carbon technologies, Dawsongroup recognises this new venture as a crucial pathway to capitalise on emerging opportunities in the journey towards achieving net zero emissions.

For our more established businesses, opportunities continue to present themselves too. As the UK government prioritises climate change and air pollution by advancing its Zero Emission Vehicle (ZEV) Mandate, from 2024 manufacturers will be required to register a minimum number of ZEVs or face fines. Consequently, we anticipate the need to adapt our purchasing strategies to meet the escalating ZEV quota requirements which starts at 10%, rising yearly to reach 100% by 2035.

Rather than view this as a problem, Dawsongroup Vans views this as an opportunity to support customers through education and assistance in transitioning to new powertrains. To achieve this, we took the strategic decision in 2023 to hire a Zero Emission Vehicle specialist to strengthen Dawsongroup Vans' ZEV strategy. We aim to provide comprehensive, wraparound support beyond just the financial aspects, helping to educate customers with a series of blogs and useful insights about making the change within their business. Despite anticipated challenges, our focus remains on collaborating with customers to enhance air quality and reduce greenhouse gases.

The same is true at Dawsongroup Truck and Trailer where we are optimising our vehicle maintenance schedule by leveraging cutting-edge technologies. We installed Electronic Braking Performance Monitoring Systems (EBPMS) on approximately 30% of our trailers in 2023 with a view to installing this technology on all trailers at the earliest available opportunity. Aside from the benefits of improved safety, proactive maintenance and performance optimisation, these systems are accepted by the DVSA as an alternative to physical roller-brake testing. This means we can now reduce the number of journeys to approved testing centres by over 75%, saving on average two gallons of fuel per trailer, per test. This simple solution translates to an annual reduction in emissions, amounting to approximately 120 tonnes of CO_2, for the 2,000 trailers currently equipped with this technology.

At Dawsongroup, we not only focus on providing asset hire services for businesses, but we also play a significant role in shaping policy through extensive lobbying efforts. Governments and local authorities encounter key challenges regarding procurement strategies for transitioning to zero emission vehicles when considering the greening of their public transport routes, and here Dawsongroup can help.

We are consistently striving to mitigate risk and seize opportunities amidst the challenges posed by climate change. Our efforts are dedicated to enhancing our environmental footprint and climate resilience, aiming to make a positive difference every single day, for us and our customers.

As a company we place employee wellbeing high on our list of priorities to ensure our people are adequately cared for in the workplace. We provide access to annual health assessments from qualified nurses and our employees also have access to the DG Wellbeing Team – a dedicated team of mental health first aiders supporting our people throughout the whole group of businesses. Our training programme, DG Futures provides learning and development opportunities for all our employees. We also place great emphasis on equal opportunities and have employed a dedicated head of equality, diversity and inclusion to develop activities to increase the EDI position of Dawsongroup through its people-based workplace processes, practices and culture.

Open Hands, the group's Corporate Social Responsibility programme established in 2022, continues to provide volunteering opportunities for our staff and support for the group's chosen charitable organisations. Events this year included a three day hiking trek around the Fiz Massif in conjunction with the charity Millimetres 2 Mountains (M2M), a cycle ride from London to Paris in support of Transaid and litter picking with other Milton Keynes based companies to tidy up our local lake raising in total over £60,000.

S172 (1) Statement

The board of directors of Dawsongroup plc consider, individually and collectively, that they have acted in a way they consider would be most likely to promote the success of the company for the benefit of its members as a whole having regard to the stakeholders and matters set out in S172 of the Companies Act 2006 namely: -

(a) the likely consequences of any decision in the long term;

(b) the interests of the company's employees;

(c) the need to foster the company's business relationships with suppliers, customers and others;

(d) the impact of the company's operations on the community and the environment;

(e) the desirability of the company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly between members of the company.

The following summarises how the directors fulfil their duties: -

Risk Management

It is vital that we effectively identify, evaluate, manage and mitigate the risks we face as a business. For details of the risks and uncertainties and how they are dealt with see page 13.

Our people

Our employees are fundamental to the long-term success of the business. We aim to be a responsible employer with regard to pay and benefits that our employees receive. The health, safety and well-being of our employees is one of our primary considerations in the way we conduct business. Established communication and consultation procedures exist which aim to ensure that employees are informed about and involved in matters which are of interest and concern to them. For more details see the directors' report page 16.

Business relationships

We strive to develop and maintain strong long-term relationships with our suppliers, customers and asset finance providers all of whom are key to our business. We achieve this without a dependency on any single supplier of product or finance or any individual customer – our largest customer represented just 2.7% of our group revenue in 2023.

Community and environment

As stated on pages 9 to 11, exceeding environmental compliance is a key feature of our business strategy, with our fleet now almost exclusively to Euro 6 standard. The group also has a number of electric, hybrid and gas-powered vehicles which places us in a good position to provide vehicles to customers operating in the increasing number of low emission zones being applied in UK cities.

Maintaining a reputation for high standards of business conduct

Our intention is to behave responsibly and ensure management operates the business in a responsible manner. Our aim is to provide our customers with premium, well-maintained products which together with our high level of customer care promotes our reputation for maintaining high standards.

Members of the company

The shareholders of the company are closely involved in any major decisions made by the board relating to the current running and the future of the group.

Financial review

Interest

On average net borrowings of £400.4m (2022: £340.2m), net interest payable increased by £5.4m to £11.3m (2022: £5.9m). The net interest figure includes £nil (2022: £4.5m) deferred consideration that has been released in the year.

Interest cover is 8.6 times (2022: 15.5 times).

Tax

The 2023 tax charge is £22.1m which is comprised of corporation tax payable of £9.9m plus deferred tax of £12.2m. Corporation tax actually payable in respect of 2023 profits was £12.8m (2022: £44.5m).

Cash flow

The group cash inflow from operating activities, essentially profit plus depreciation and changes in working capital, totalled £235.2m (2022: £118.6m). A further £81.5m (2022: £91.9m plus exceptional of £42m) was generated from the disposal of tangible fixed assets. Cash outflow for interest paid, tax and dividends, together amounted to £40.2m (2022: £65.2m).

Capital expenditure

Capital expenditure, almost entirely relating to investment for hire fleet growth and replacement programmes, amounted to £370.1m (2022 £269.1m).

Borrowings

Net debt increased to £439.5m (2022: £361.3m), comprising hire fleet asset finance of £231.7m (2022: £186.5m), US private placement of £203.8m (2022: £206.4m) plus net overdraft of £4.0m (2022: less net cash of £31.6m). Year-end gearing was 78% (2022: 71%).

Risks and uncertainties

Finance and treasury

The group operates a central finance and treasury function which is responsible for arranging and managing all of the group's financial instruments, comprising borrowings, cash and liquid resources and interest rate swaps, in the most appropriate manner, at the lowest cost.

These policies remained unchanged throughout the year and are summarised as follows:

Financing

The group's principal borrowings are in respect of hire fleet investments. These have traditionally been funded, net of suitable deposits, by way of asset finance. The preference is for variable rate hire purchase because it is administratively simple, avoids the issues of fees and covenants which typically arise with bank lending, provides for total flexibility without penalties on early termination and enables capital allowances to be claimed on the assets. Additionally, during the last financial year we raised US private placement funding, made up of both fixed rate borrowing in Euros over an initial period of ten years and variable rate funding in sterling over an initial four year period. All other assets are purchased for cash and are unencumbered.

Asset finance repayments are matched, conservatively, against the revenue stream from the related assets over their income-generating lives. In the case of trucks this policy has been set at 3 years, vans at 2 years and for all other assets between 5 and 7 years.

Asset finance facilities are established with a wide range of lenders primarily on a revolving basis and each subject to different annual review dates. The board considers that there are sufficient credit facilities available to meet all projected requirements. Short term flexibility for working capital purposes is achieved through overdraft facilities.

Interest rates

The exposure to variable rate debt is hedged through interest rate swaps. At the year-end these totalled £109.2m (2022: £120.6m), effectively fixing the relevant variable rate asset finance debt at an average base rate of 1.6% (2022: 1.8%).

Foreign currencies

The group has subsidiaries in the Euro, the Polish Zloty, the US dollar and the New Zealand dollar currency zones and finances all hire fleet additions and most working capital requirements for these businesses in local currencies in order to partially protect the group's Sterling statement of financial position from exchange rate movements. The group also purchases certain hire fleet assets in the UK from overseas suppliers which are denominated in foreign currencies. This exchange rate exposure is limited through forward currency purchases. The group uses non-derivative financial instruments such as foreign currency borrowings to hedge foreign currency risk on net investments in foreign operations.

Overview

In 2023 Dawsongroup once again demonstrated its reputation as a successful asset rental company in its markets in the UK, Europe, the USA and New Zealand.

The excellent financial performance continues to be built on a platform of: -

- a wide asset portfolio – over 32,000 hire fleet assets at the year-end;
- a high contractual base;
- a broad customer base – the largest customer in 2023 represented just 2.7% of group revenue;
- first-rate supplier relationships – without a dependency on any single supplier of product or finance;
- a committed and motivated management team supported by over 1,000 hard-working and enthusiastic employees across 11 countries; and
- a proven track record in the asset rental and contract hire industry spanning over 40 years.

This report was approved by the board on 14 May 2024 and signed on its behalf by:

Stephen J Miller
Group chief executive
14 May 2024

Anthony Coleman
Group finance director

Directors & Advisers

Peter M Dawson
B Eng, FIMI,
EXECUTIVE CHAIRMAN
Peter joined the family haulage business in 1956 and spearheaded the early growth and development of the group.
AGED 85

Stephen J Miller
GROUP CHIEF EXECUTIVE
Stephen joined the group in 1986 and was appointed managing director of Dawsongroup Truck and Trailer in 2002. In October 2009 he was appointed group managing director.
In September 2016 he was appointed group chief executive.
AGED 59

Anthony Coleman
FCA
GROUP FINANCE DIRECTOR
Appointed group finance director in January 2006, Anthony is now in his 24th year with the group having joined as group financial controller and company secretary.
AGED 51

Freya Dawson
GROUP PROPERTY DIRECTOR
Freya joined the group in October 2011 and was appointed a director of Alexena Limited, the group's property company in January 2014.
In October 2018 she was appointed to the board of Dawsongroup plc.
AGED 36

Lucinda Kent
FCA
GROUP FINANCIAL CONTROL DIRECTOR AND COMPANY SECRETARY
Lucinda joined the group in 2004, becoming group financial controller two years later. She was appointed as company secretary in April 2014 and as group financial control director in May 2020.
AGED 54

Group headquarters and registered office
Dawsongroup plc
Delaware Drive
Tongwell
Milton Keynes
MK15 8JH
t: 01908 218 111

Registered number
1902154

Website
www.dawsongroup.co.uk

Secretary
Lucinda Kent, FCA

Auditor
Mazars LLP
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Principal bankers
Barclays Bank
9 Midsummer Place
Milton Keynes
MK9 3GB

HSBC UK Bank plc
South Midlands Corporate Banking Centre
Level 6 Metropolitan House
321 Avebury Boulevard
Milton Keynes
MK9 2GA

The Royal Bank of Scotland
Corporate and Institutional Banking
2nd Floor
152 Silbury Boulevard
Milton Keynes
MK9 1LT

Statutory Directors' Report

The directors present their report and the audited financial statements of the group for the year ended 31 December 2023.

Activities and business review

The principal activity of the group is the rental, leasing and contract hire of commercial vehicles, buses, coaches, material handling, sweepers and temperature-controlled products. It also provides finance services. Dawsongroup plc is the holding company.

A detailed review of the group's trading during the year and of its business outlook is contained within the chairman's statement on pages 2 to 3 and the strategic report on pages 4 to 14.

Results and dividends

The consolidated trading results and year-end financial position are shown in the financial statements on pages 21 to 47.

The profit after tax for the financial year was £63.2m (2022: £138.9m). Ordinary dividends paid in the year amounted to £8m (2022: £9m). The retained profit of £55.2m has been transferred to reserves.

Directors

The current directors of Dawsongroup plc are set out on page 15.

Directors' indemnity

The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the company in respect of liabilities they incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the company.

Appropriate directors' and officers' indemnity insurance cover is in place in respect of all the company's directors.

Donations

The group made charitable donations during the year amounting to £44,698 (2022: £141,281). No political donations were made in either year.

Employment policies

The group continues to encourage the participation of its employees in the business in which they work. Established communication and consultation procedures exist which aim to ensure that employees are informed about, and involved in, matters which are of interest and concern to them.

The group is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. The policies also allow disabled persons to compete on an equal basis. Any existing employee who becomes disabled is given the training required to ensure that, wherever possible, continuity of employment can be maintained.

The group promotes all aspects of health and safety throughout the group in the interest of its employees.

Environmental and carbon reporting

The group reports on greenhouse gas emissions as required by the Streamlined Energy and Carbon Reporting (SECR) legislation 2018. This is included on pages 9 to 11 of the strategic report.

Creditor payment policy

Operating businesses are responsible for agreeing the terms and conditions under which business transactions with their suppliers are conducted. It is group policy that payments to suppliers are made in accordance with these terms, provided that the supplier complies with all relevant terms and conditions.

At 31 December 2023 the amount for trade creditors in the statement of financial position represented 5 days (2022: 20) of average daily purchases for the company and 27 days (2022: 18) in respect of the group's main UK operating subsidiaries.

Going concern

The directors have a reasonable expectation that the company and group have adequate resources to continue in operational existence for the foreseeable future, therefore they continue to adopt the going concern basis for accounting in preparing the annual financial statements. For further information regarding the directors' assessment of the going concern status of the company and group, refer to the accounting policies on page 27.

Disclosure in the strategic report

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and

Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on pages 4 to 14. These matters relate to activities, business and financial review, future developments and risks and uncertainties.

Directors' responsibilities statement

The directors are responsible for preparing the corporate statement and financial highlights, the chairman's statement, strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* 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 group and of the profit or loss of the group for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's transactions and disclose with reasonable accuracy at any time the financial position of the group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Annual Review and Summary Financial Statements and Annual Report and Financial Statements published on the group's corporate website. Legislation in the UK concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure of information to auditor

So far as each person who is a director is aware, there is no relevant audit information of which the group's auditor is unaware. Each director has taken all steps that he ought to have taken in his duty as a director in order to make himself aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Auditor

Mazars LLP has expressed its willingness to continue in office and a resolution concerning reappointment will be put to the directors at the board meeting approving these financial statements.

Approved on behalf of the board and signed on its behalf by

By order of the board
Lucinda Kent, FCA
Secretary
14 May 2024

Independent Auditor's Report

Opinion

We have audited the financial statements of Dawsongroup Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated statement of comprehensive income, the Consolidated statement of financial position, the Consolidated statement of changes in equity, the Consolidated statement of cash flows, the Company statement of financial position, the Company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 company's affairs as at 31 December 2023 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 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 group and the parent 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent 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 set out on page 17, 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 the financial statements. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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. Based on our understanding of the group and parent company and its' industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: Health and Safety law, Employment law, Modern Slavery Act, Bribery Act 2010, Energy Saving Opportunity Scheme, Environmental laws on storage of oil drums, Tachograph regulation, FCA consumer credit license, Payment policies regulation, Tax strategy and SAO notification and GDPR.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;

- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as UK tax legislation, FRS 102, and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the occurrence assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.

Thomas Cooke
(Senior Statutory Auditor)

for and on behalf of Mazars LLP
Chartered Accountants and
Statutory Auditor

Mazars LLP
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 14 May 2024

Consolidated statement of comprehensive income
For the year ended 31 December 2023

Continuing operations	Notes	2023 £'000	2022 £'000
Turnover	*1*	**392,581**	354,957
Cost of sales		**224,789**	200,132
Gross profit		**167,792**	154,825
Other operating income	*1*	**747**	918
Exceptional item - profit on disposal of freehold land	*9*	**–**	41,374
Administrative expenses		**72,202**	64,875
Operating profit	*2*	**96,337**	132,242
Profit on ordinary activities before interest, fair value adjustments and taxation		**96,337**	132,242
Interest receivable and similar income	*5*	**8,098**	5,843
Interest payable and similar charges	*6*	**19,352**	11,709
Profit on ordinary activities before fair value adjustments and taxation		**85,083**	126,376
Gains arising on fair value of investment properties		**4,254**	–
(Losses) / gains arising on fair value of derivative instruments	*17*	**(3,967)**	50,039
Profit on ordinary activities before tax		**85,370**	176,415
Taxation	*7*	**22,156**	37,482
Profit for the year attributable to owners		**63,214**	138,933
Other comprehensive income:			
Exchange differences arising on translation of foreign operations		**695**	17
Total comprehensive income attributable to owners		**63,909**	138,950

The notes on pages 27 to 47 are an integral part of these financial statements.

Consolidated statement of financial position

As at 31 December 2023

	Notes	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Intangible assets	8		(21)		(19)
Tangible assets	9		1,003,326		838,672
Investment property	10		26,522		22,268
			1,029,827		860,921
Current assets					
Inventory		9,904		4,722	
Trade and other debtors	12	125,521		122,994	
Investments – short-term deposits	13	11,877		44,024	
Cash at bank and in hand	13	9,016		10,867	
		156,318		182,607	
Creditors due within one year					
Borrowings	14	127,458		101,828	
Trade and other creditors	16	114,161		103,454	
		241,619		205,282	
Net current liabilities			85,301		22,675
Total assets less current liabilities			944,526		838,246
Creditors due after one year					
Borrowings	14	332,896		314,350	
Trade and other creditors	16	7		76	
			332,903		314,426
Provisions for liabilities and charges			611,623		523,820
Employee benefits	18	27,879		7,395	
Deferred tax	18	16,423		4,265	
Other provisions	18	461		1,216	
			44,763		12,876
Net assets			566,860		510,944
Capital and reserves					
Called up share capital	19		8,057		8,057
Share premium account			1,285		1,285
Capital reserve			9,980		9,980
Revaluation reserve			4,170		4,308
Profit and loss account			543,368		487,314
Equity shareholders' funds			566,860		510,944

The financial statements on pages 21 to 47 were approved and authorised for issue by the board of directors on 14 May 2024.

Directors: S J Miller
A Coleman

The notes on pages 27 to 47 are an integral part of these financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2023

	Called up share capital £'000	Share premium account £'000	Capital reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Equity shareholders' funds £'000
At 1 January 2022	8,057	1,285	9,980	4,308	357,356	380,986
Profit for the financial year	–	–	–	–	138,933	138,933
Other comprehensive income:						
– Exchange differences arising on translation of foreign operations	–	–	–	–	17	17
Total comprehensive income	–	–	–	–	138,950	138,950
Dividends paid (note 20)	–	–	–	–	(8,992)	(8,992)
At 31 December 2022	8,057	1,285	9,980	4,308	487,314	510,944
Profit for the financial year	–	–	–	–	63,214	63,214
Other comprehensive income:						
– Exchange differences arising on translation of foreign operations	–	–	–	–	695	695
Total comprehensive income	–	–	–	–	63,909	63,909
– Transfer from revaluation reserve	–	–	–	(138)	138	–
Dividends paid (note 20)	–	–	–	–	(7,993)	(7,993)
At 31 December 2023	**8,057**	**1,285**	**9,980**	**4,170**	**543,368**	**566,860**

Reserves

Share premium account

The share premium account represents the difference between the proceeds and the nominal value of each share issued.

Capital reserve

The capital reserve represents the nominal value of share capital that has been redeemed and cancelled.

Revaluation reserve

This reserve represents the cumulative revaluation gains and losses on revaluation of land and buildings held as tangible fixed assets.

Profit and loss account

The profit and loss account reserve represents cumulative profits and losses of the group less dividends paid.

Included in the profit and loss account reserve is an amount of £1,217,000 (2022: £3,023,000) which represents the cumulative exchange loss on foreign currency borrowings used as hedging instruments deemed as effective in hedging the cumulative exchange difference of £1,929,000 (2022: £3,040,000) arising from the translation of the net assets of the group's foreign operations from their functional currency into Dawsongroup's functional currency. The ineffective part of the hedge, £0.8m gain (2022: £2.1m loss) has been recognised in profit and loss.

The notes on pages 27 to 47 are an integral part of these financial statements.

Consolidated statement of cash flows

For the year ended 31 December 2023

	Notes	2023 £'000	2022 £'000
Operating activities			
Profit on ordinary activities before tax		**85,370**	176,415
Adjusted for:			
Gains arising on fair value of investment property	10	**(4,254)**	–
Losses / (gains) arising on fair value of derivative instruments	17	**3,967**	(50,039)
Depreciation and impairment of tangible assets	9	**153,066**	148,542
Amortisation of goodwill	8	**2**	(13)
Profit on disposal of tangible assets	2	**(30,846)**	(34,130)
Profit on disposal of freehold land	2	**-**	(41,374)
Interest receivable	5	**(8,098)**	(5,843)
Interest payable	6	**19,352**	11,709
Operating cash flows before movement in working capital		**218,559**	205,267
(Increase) / decrease in inventory		**(5,335)**	3,267
Decrease / (increase) in trade and other debtors		**109**	(58,096)
Increase in trade and other creditors		**6,829**	9,498
Increase in provisions		**19,746**	1,881
Interest received	5	**8,098**	1,303
Income tax paid		**(12,836)**	(44,543)
Net cash flows from operating activities		**235,170**	118,577
Investing activities			
Proceeds from disposal of tangible assets		**81,505**	91,893
Proceeds from disposal of freehold land		**–**	42,000
Purchase of tangible assets	9	**(370,122)**	(269,149)
Net cash flows used in investing activities		**(288,617)**	(135,256)
Financing activities			
Increase / (decrease) in obligations under asset finance arrangements	14	**45,179**	(152,076)
Dividends paid	20	**(7,993)**	(8,992)
Interest paid	6	**(19,352)**	(11,709)
Collateral deposit		**–**	33,460
Repayment of bank loans	14	**–**	(5,042)
US Private Placement issue of loan notes		**–**	201,266
Net cash flows from in financing activities		**17,834**	56,907
Net (decrease) / increase in cash and cash equivalents		**(35,613)**	40,228
Cash and cash equivalents at the beginning of the year		**31,659**	(8,834)
Effect of exchange rates on cash and cash equivalents		**4**	265
Cash and cash equivalents at the end of the year		**(3,950)**	31,659
Unrestricted cash and cash equivalents	13	**20,893**	54,891
Overdraft	14	**(24,843)**	(23,232)
Total cash and cash equivalents at the end of the year		**(3,950)**	31,659

The notes on pages 27 to 47 are an integral part of these financial statements.

Company statement of financial position
As at 31 December 2023

	Notes	£'000	2023 £'000	£'000	2022 £'000
Fixed assets					
Tangible assets	*9*		670		439
Investment in subsidiary undertakings	*11*		49,256		49,256
			49,926		49,695
Current assets					
Inventory		1		1	
Trade and other debtors	*12*	411,682		335,891	
Investments – short-term deposits	*13*	11,856		44,000	
Cash at bank and in hand	*13*	285		937	
		423,824		380,829	
Creditors due within one year					
Borrowings	*14*	25,277		23,232	
Trade and other creditors	*16*	43,431		56,566	
		68,708		79,798	
Net current assets			355,116		301,031
Total assets less current liabilities			405,042		350,726
Creditors due after one year					
Borrowings	*14*	203,797		206,411	
Trade and other creditors	*16*	–		–	
			203,797		206,411
			201,245		144,315
Provisions for liabilities and charges	*18*		9,967		3,057
Net assets			191,278		141,258
Capital and reserves					
Called up share capital	*19*		8,057		8,057
Share premium account			1,285		1,285
Capital reserve			6,658		6,658
Profit and loss account			175,278		125,258
Equity shareholders' funds			191,278		141,258

The company has elected to take the exemption permitted under Section 408 of the Companies Act 2006 not to present the company's profit and loss account. The company's profit for the year was £58,013,000 (2022: profit of £56,410,000).

The financial statements on pages 21 to 47 were approved and authorised for issue by the board of directors on 14 May 2024.

Directors: S J Miller
A Coleman

The notes on pages 27 to 47 are an integral part of these financial statements.

Company statement of changes in equity
For the year ended 31 December 2023

	Called up share capital £'000	Share premium account £'000	Capital reserve £'000	Profit and loss account £'000	Equity shareholders' funds £'000
At 1 January 2022	8,057	1,285	6,658	77,840	93,840
Profit for the financial year	–	–	–	56,410	56,410
Other comprehensive income	–	–	–	–	–
Total comprehensive income	–	–	–	56,410	56,410
Dividends paid (note 20)	–	–	–	(8,992)	(8,992)
At 31 December 2022	8,057	1,285	6,658	125,258	141,258
Profit for the financial year	–	–	–	58,013	58,013
Other comprehensive income	–	–	–	–	–
Total comprehensive income	–	–	–	58,013	58,013
Dividends paid (note 20)	–	–	–	(7,993)	(7,993)
At 31 December 2023	**8,057**	**1,285**	**6,658**	**175,278**	**191,278**

Reserves

Share premium account

The share premium account represents the difference between the proceeds and the nominal value of each share issued.

Capital reserve

The capital reserve represents the nominal value of share capital that has been redeemed and cancelled.

Profit and loss account

The profit and loss account reserve represents cumulative profits and losses of the company less dividends paid.

The notes on pages 27 to 47 are an integral part of these financial statements.

Accounting Policies

General information

Dawsongroup plc ("the company") is a public limited company incorporated in England and Wales. The address of its registered office and principal place of business is Delaware Drive, Tongwell, Milton Keynes, MK15 8JH. The principal activity of the group is the rental of commercial vehicles, buses, coaches, material handling, sweepers and temperature controlled products. It also provides finance services. Dawsongroup plc is the holding company.

The company is a parent undertaking and therefore these consolidated financial statements present the financial information of the company and its subsidiary undertakings (together "the group"), as well as the company's individual financial statements. These consolidated and company financial statements have been presented in Pounds Sterling as this is the company's functional currency, being the primary economic environment in which the company operates. The level of rounding used throughout the financial statements is to the nearest thousand.

Basis of preparation

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 applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical cost convention, as modified for the fair value of investment properties and derivative financial instruments.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including the notification of and no objection to, the use of exemptions by the company's shareholders. In preparing the company individual financial statements, the company has taken advantage of the following exemptions:

- from disclosing key management personnel compensation, as required by paragraph 7 of Section 33 *Related Party Disclosures*;
- from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by paragraph 12 of Section 4 *Statement of Financial Position*; and
- from presenting a statement of cash flows, as required by Section 7 *Statement of Cash Flows*.

On the basis that equivalent disclosures are given in the consolidated financial statements the company has also taken advantage of the exemption not to provide:

- certain disclosure requirements of Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instrument Issues*.

Basis of consolidation

The group financial statements consolidate the financial statements of Dawsongroup plc and all its subsidiary undertakings for the year ended 31 December 2023.

Subsidiary undertakings acquired during the year are accounted for under the acquisition method of accounting and are consolidated from the date the company achieves control over such entities, thereby having the power to govern the financial and operating policies of the entity of acquisition. The financial statements of subsidiary undertakings that are acquired or disposed of within the financial year are included within, or excluded from, the consolidation from the date that the company obtains or loses control.

Transactions and balances between subsidiary undertakings have been eliminated; no profit is taken on sales between subsidiary undertakings until the products are sold to customers outside the group. Where necessary, adjustments are made to the financial statements of group entities to bring the accounting policies used in line with those used by the group.

Going concern

The financial statements have been prepared on the going concern basis which assumes that the group will continue in operational existence for the foreseeable future.

The directors have reviewed cash flow forecasts for a period of not less than 12 months from the date of the audit opinion and are confident that the group will be able to pay its liabilities as they fall due. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts for the provision of services and the sale of goods in the normal course of business, net of discounts and other sales-related taxes.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

Income from the sale of vehicles and equipment is recognised when the group has transferred the significant risks and rewards of ownership to the buyer, which is usually the date that delivery of the vehicles and equipment is taken.

Rental income from investment property is recognised on a straight-line basis over the term of the lease.

Interest income is recognised as interest accrues using the effective interest rate method.

Accounting Policies (*continued*)

Taxation

The tax expense for the year comprises current and deferred tax. Tax currently payable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Current and deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and there is the intention either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Foreign currencies

Foreign currency transactions are translated into the functional currency of the reporting entity using the exchange rate prevailing at the date the transactions took place. Income and expense items are translated using an average exchange rate for the year where there are limited fluctuations in foreign exchange rates.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group are translated at the exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising are recognised through other comprehensive income.

Hedge accounting

The group has designated a net investment hedge in the year. At the inception of the hedge relationship, the entity documents the economic relationship between the hedging instrument and the hedged item, along with its risk management objectives and clear identification of the risk in the hedged item that is being hedged by the hedging instrument. Furthermore, at the inception of the hedge the group determines and documents causes for hedge ineffectiveness.

Hedge accounting is discontinued when the group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Any gain or loss accumulated in equity at that time is reclassified to profit or loss when the hedged item is recognised in profit or loss. When a forecast transaction is no longer expected to occur, any gain or loss that was recognised in other comprehensive income is reclassified immediately to profit or loss.

Intangible assets

Intangible assets are initially recognised at cost, being the purchase price plus any directly attributable costs, and are subsequently measured at cost less any accumulated amortisation and impairment losses.

Goodwill relates to acquisitions and represents the excess of the consideration payable over the fair value of the separable net assets acquired. Goodwill occurring on acquisitions made prior to 1 January 2014 has been fully amortised. Goodwill arising on acquisitions subsequent to that date is being amortised over 3-5 years on a straight-line basis as the directors believe this period to be reflective of the life of the balance.

Negative goodwill arising where the fair value of the separable net assets acquired is higher than the consideration paid is being amortised in line with the sale of the hire fleet assets acquired as part of the acquisition.

Intangible assets, including goodwill, are tested for impairment where an indication of impairment exists at the reporting date.

Tangible assets

Tangible assets are measured at cost less accumulated depreciation and impairment losses. Freehold property is being held under the cost model and will be depreciated in accordance with the depreciation policies below.

Depreciation is provided to write down the cost of fixed assets by equal instalments to their estimated residual values up to the period of their estimated useful lives with the group in accordance with the table below:

	Useful life with the group	Residual value
Hire fleet		
Commercial vehicles	5-7 years	5% - 25%
Trailers	10-12.5 years	2.5% - 15%
Car transporters and drawbar trailers	9 years	10%
Vans	4-5 years	Nil - 1%
Cars	4-5 years	25% - 35%
Purpose built portable cold stores	10-20 years	Nil - 25%
Buses and coaches	9-13 years	2.5% - 15%
Minibuses	6 years	5% - 10%
Material handling	7-9 years	5% - 15%
Sweepers	5-8 years	5% - 30%
Scissor lifts	10 years	15%
Coldrooms and inflatables	8-10 years	Nil
Energy solutions	2-10 years	Nil - 5%
Other	3-12.5 years	Nil - 15%
Non hire fleet		
Freehold buildings	20-50 years	Nil
Long leasehold	Life of lease	Nil
Plant and equipment	5-10 years	Nil
Portable office buildings	7-10 years	2.5% - 15%
Computer hardware	4 years	Nil
Cars	5 years	15%

Tangible assets are tested for impairment where an indication of impairment exists at the reporting date.

Investment property

The group classifies land and buildings, whether in whole or part, as investment property when it is held to earn rentals or for capital appreciation or both. Investment properties are initially measured at cost, which comprises the purchase price and any directly attributable expenditure and are subsequently remeasured to fair value at each reporting date with changes in fair value recognised in profit or loss. Properties leased to other group entities are measured using the cost model and are accounted for in accordance with Section 17 *Property, Plant and Equipment*.

Investments in subsidiary undertakings

Investments in subsidiary undertakings are recognised at cost less accumulated impairment losses in the company financial statements. Investments are tested for impairment where an indication of impairment exists at the reporting date.

Impairment of assets

At each reporting date, the group reviews the carrying value of its 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.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount an impairment loss is recognised immediately in profit or loss. An impairment loss recognised for all assets is reversed in a subsequent year if, and only if, the reasons for the impairment loss have ceased to apply.

Inventory

Inventory is stated at the lower of cost, using the first in first out method, and selling price less costs to complete and sell.

Financial instruments

Financial assets and liabilities are recognised when the group becomes party to the contractual provisions of the financial instrument. The group holds basic and non-basic financial instruments, which comprise cash at bank and in hand, short-term deposit investments, trade and other debtors, loans and borrowings, trade and other creditors, and derivative financial instruments. The group has chosen to apply the measurement and recognition provisions of Section 11 *Basic Financial Instruments* and Section 12 *Other Financial Instrument Issues* in full.

Financial assets – classified as basic financial instruments

The company has chosen to apply the measurement and recognition provisions of Section 11 *Basic Financial Instruments*.

Cash and cash equivalents
Cash and cash equivalents include cash at bank and in hand and other short-term highly liquid investments with original maturities of three months or less which are classified as current asset investments.

Trade and other debtors
Trade and other debtors are initially recognised at the transaction price, including any transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts that are receivable within one year are measured at the undiscounted amount of the amount expected to be receivable, net of any impairment.

At the end of each reporting year, the group assesses whether there is objective evidence that any financial asset amount may be impaired. A provision for impairment is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the financial assets. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows. The amount of the provision is recognised immediately in profit or loss.

Financial liabilities – classified as basic financial instruments

Trade and other creditors and loans and borrowings
Short term trade and other creditors and loans and borrowings are initially measured at the transaction price. Other financial liabilities which constitute financing transactions are initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

Derivative financial instruments – classified as other financial instruments

Derivative financial instruments comprise interest rate swaps and are initially recognised at fair value at the date the derivative contract is entered into and are subsequently measured at fair value at each reporting date. The resulting gain or loss is recognised in profit or loss.

Leases

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

Finance leases

The group as a lessee
Fixed assets obtained under finance leases are treated in the same way as hire purchase contracts, that is as though they were purchased outright and depreciated accordingly. The outstanding capital element of such leases is included within borrowings in the statement of financial position. The interest element of leasing payments is charged to profit and loss over the period of the finance lease in accordance with the "sum of digits" method. Interest costs on fixed rate hire purchase contracts are also accounted for by this method.

The group as a lessor
Amounts due from lessees under finance leases are recognised as receivables at the amount of the group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the group's net investment outstanding in respect of the leases.

Operating leases

The group as a lessee
Rentals payable under operating leases are charged to profit and loss on a straight-line basis over the term of the relevant lease. Any benefits receivable as an incentive to enter into an operating lease are spread on a straight-line basis over the lease term.

The group as a lessor
Rental income from operating leases are credited to income on a straight-line basis over the terms of the lease.

Asset purchase rebates

Rebates and bonuses from manufacturers and distributors are credited to profit or loss over a three to five year period from the date of installation of the relevant assets to coincide with their expected life within the group.

Future purchase undertakings

As part of its trade the group has undertaken to purchase commercial vehicles and trailers from certain lessors and manufacturers upon the future termination of operating lease agreements or other arrangements with third parties at prices estimated to be not less than realisable value at the time of purchase. Where necessary a provision is made to the extent that such commitments are now estimated to exceed realisable value.

Where the commitment has been notified, the commercial vehicles and trailers are included within fixed assets at the expected cost of repurchase and the related liabilities are recognised in the statement of financial position. Fee income for future purchase undertakings is credited to profit or loss over the respective lives of such leases having regard to future assessment, inspection and other related costs.

Employee benefits

Retirement benefits

The group operates a defined contribution pension scheme, the assets of which are held separately from those of the group in funds administered by insurance companies. Contributions to the defined contribution pension scheme are charged to the profit or loss in the year to which the contributions relate.

Long-term incentive schemes

The group operates a long-term incentive scheme for certain employees. Liabilities for the scheme are recognised when the group has an obligation to make payments as a result of a past event and are measured at the present value of the obligation at the end of each reporting date. The scheme is an unfunded scheme.

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Critical accounting judgements and key sources of estimation uncertainty

In applying the group's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

Critical judgements in applying the group's accounting policies

The critical judgements that the directors have made in the process of applying the group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

(i) Classifying lease arrangements

The directors classify lease arrangements as finance leases where substantially all of the risks and rewards incidental to ownership pass to the lessee. In making this judgement the directors have considered the substance of the arrangement, taking into account various factors including; legal ownership, options to purchase the asset, the term of the lease, the useful economic life of the asset and the present value of the minimum lease payments. Arrangements which are not classified as a finance lease are classified as an operating lease.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Determining and reassessing useful economic lives and residual values of tangible and intangible assets

The group depreciates tangible assets, and amortises intangible assets, over their estimated useful lives. In determining appropriate useful lives of assets, the directors have considered historic performance as well as future expectations for factors such as the expected usage of the asset, physical wear and tear, technical and commercial obsolescence and legal limitations on the usage of the asset such as lease terms. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied to determine the residual values for tangible assets; particularly hire fleet, other vehicles and plant and equipment. When determining the residual values, the directors have assessed the amount that the group would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. At each reporting date, the directors also assess whether there have been any indicators, such as a change in how the asset is used, significant unexpected wear and tear and changes in market prices, which suggest previous estimates may differ from current expectations. Where this is the case, the residual value and/or useful life is amended and accounted for on a prospective basis.

(ii) Establishing fair value of investment properties

When the fair value of investment properties cannot be measured based on the price of a recent transaction for an identical asset or liability, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as market rent, vacancy rate, yield requirement and inflation. Changes in assumptions about these factors could affect the reported fair value of investment properties.

(iii) Establishing fair value of financial instruments

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets or on the price of a recent transaction for an identical asset or liability, their fair values are measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(iv) Employee benefits – long-term incentive schemes

The group operates a long-term incentive scheme in respect of directors and certain senior employees. The group's obligation under this scheme at the reporting date is calculated using a number of assumptions including expected retention rates, achievement of annually set targets and estimated salary increases. The directors have estimated these assumptions based on historical experience and future expectations of market conditions.

1. Revenue

Analysis by category

An analysis of turnover by category is as follows:

	2023 £'000	2022 £'000
Operating lease rental income	349,451	326,178
Sale of vehicles and equipment	43,130	28,779
	392,581	354,957

An analysis of other operating income by category is as follows:

	2023 £'000	2022 £'000
Rental income from investment properties	637	830
Royalties	110	88
	747	918

Geographical analysis

The group operates in two geographic segments – the UK and the Rest of World. The respective turnover is set out below:

	United Kingdom		Rest of World		Group	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Turnover	359,791	315,081	32,790	39,876	392,581	354,957

2. Operating profit

	2023 £'000	2022 £'000
This is stated after charging:		
Repairs and maintenance expenditure	48,113	41,290
Depreciation of tangible fixed assets: owned assets	153,066	148,542
Operating leases: land and buildings	2,912	1,575
Operating leases: hire fleet	110	759
Auditor's remuneration:		
Fees payable to the company's auditor for the audit of the company's annual accounts	268	230
Fees payable to the company's auditor for other services to the company:		
– Other advisory services	2	28
Foreign exchange loss	–	1,126
and after crediting:		
Profit on sale of tangible fixed assets	30,846	34,130
Profit on sale of freehold property	–	41,374
Manufacturers' rebates	176	11
Foreign exchange gain	198	–

3. Employees

The average monthly number of employees (including executive directors and other key management personnel) was:

	2023 Number	2022 Number
Average number of employees, including executive directors, during the year:		
Management	44	51
Sales and administration staff	690	609
Drivers, engineers and others	325	314
	1,059	974

Their aggregate remuneration comprised:

	2023 £'000	2022 £'000
Wages and salaries	51,829	49,118
Social security costs	6,019	5,670
Pension contributions	4,420	3,454
	62,268	58,242

The pension contributions above represent amounts payable by the group to the fund. £nil have been prepaid (2022: £nil).

4. Directors' emoluments and interests, including key management personnel

	2023 £'000	2022 £'000
Directors' emoluments		
Executive remuneration and benefits	4,959	6,282
Pension contributions	48	52
Total	5,007	6,334

	2023 £'000	2022 £'000
Highest paid director		
Executive remuneration and benefits	1,699	1,860
Pension contributions	8	4
Total	1,707	1,864

The number of directors to whom benefits were accrued under money purchase pension schemes was 4 (2022: 4).

Long-term incentive scheme

The group operates a long-term incentive scheme in respect of its directors. The amounts recognised at the reporting date are as follows:

	2023 £'000	2022 £'000
Provision as at 1 January	2,240	1,502
Charged to profit and loss account	20,692	738
Provision as at 31 December	22,932	2,240

Directors' interests

Throughout the year the group was controlled by trusts, the beneficiaries of which are P M Dawson and his immediate family. They received a dividend of £7,993,000 during the year (2022: £8,992,000).

Key management personnel

The directors of the group are considered to be the key management personnel. Details of their remuneration can be seen above.

5. Interest receivable and similar income

	2023 £'000	2022 £'000
Interest receivable on bank deposits	1,593	122
Interest receivable on finance agreements	2,889	1,181
Income from collateralised debt agreement	–	4,540
Interest receivable on derivative instruments: swap arrangements	3,616	–
	8,098	5,843

6. Interest payable and similar charges

	2023 £'000	2022 £'000
Interest payable on asset finance arrangements	11,055	5,575
Interest payable on loans and borrowings	8,297	3,611
Interest payable on derivative instruments: swap arrangements	–	2,523
	19,352	11,709

7. Taxation

	2023		2022	
	£'000	£'000	£'000	£'000
Analysis of profit or loss charge				
Tax charge for the year:				
Corporation tax	6,846		38,280	
Overseas tax	3,102		2,964	
Adjustments in respect of prior periods	(25)		3,007	
Total current tax		9,923		44,251
Deferred tax				
Origination and reversal of timing differences	12,405		(3,437)	
Adjustments in respect of prior periods	(172)		(3,332)	
Total deferred tax		12,233		(6,769)
Total tax on profit on ordinary activities		22,156		37,482

7. Taxation continued

Reconciliation of tax charge included in profit or loss

The UK standard rate of corporation tax for the reporting period is 23.52% (2022: 19%), being 19% to 5th April 2023 and 25% thereafter. The actual charge for the current and the previous year differ from the standard rate for the reasons set out in the following reconciliation:

	2023 £'000	2022 £'000
Profit on ordinary activities before tax	**85,370**	176,415
Tax on profit on ordinary activities at standard rate	**20,080**	33,519
Factors affecting charge for the period:		
Expenses not deductible for tax purposes	**1,430**	(185)
Difference in tax rates	**669**	3,685
Adjustments in respect of higher/lower overseas taxes	**174**	788
Adjustments in respect of prior periods	**(197)**	(325)
Total tax	**22,156**	37,482

Factors that may affect future tax charges

Deferred tax balances at the reporting date have been measured at 25% (2022: 25%).

Deferred tax expected to reverse in 2024 is £nil.

8. Intangible fixed assets

Group	Goodwill £'000	Negative Goodwill £'000	Total Goodwill £'000
Cost:			
As at 1 January 2023	6,090	(1,084)	5,006
Additions	–	–	–
As at 31 December 2023	**6,090**	**(1,084)**	**5,006**
Amortisation and impairment:			
As at 1 January 2023	6,078	(1,053)	5,025
Charge for the year	12	(10)	2
As at 31 December 2023	**6,090**	**(1,063)**	**5,027**
Book value:			
As at 31 December 2023	**–**	**(21)**	**(21)**
As at 31 December 2022	12	(31)	(19)

The positive goodwill relating to the acquisition of Tectoniks Limited on 22 August 2018 was amortised on a straight-line basis over a period of five years. The negative goodwill is being amortised in line with the disposal of the hire-fleet assets acquired as part of the acquisition of Transflex Vehicle Rental in April 2018.

Amortisation is charged within administrative expenses in the Statement of Comprehensive Income.

Company

The company does not hold any intangible assets.

9. Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Hire fleet £'000	Other vehicles, plant and equipment £'000	Group total £'000	Company total £'000
Cost or valuation:						
As at 1 January 2023	35,732	1,310	1,262,010	23,133	1,322,185	2,644
Exchange adjustment	(112)	(32)	(2,239)	(90)	(2,473)	–
Reclassifications	–	–	(326)	326	–	–
Additions	5,567	–	358,445	6,110	370,122	456
Disposals	–	–	(154,121)	(2,206)	(156,327)	–
As at 31 December 2023	**41,187**	**1,278**	**1,463,769**	**27,273**	**1,533,507**	**3,100**
Depreciation:						
As at 1 January 2023	1,320	50	467,442	14,701	483,513	2,205
Exchange adjustment	–	(1)	(682)	(47)	(730)	–
Reclassifications	–	–	(160)	160	–	–
Charge for the year	505	12	149,605	2,944	153,066	225
Disposals	–	–	(104,012)	(1,656)	(105,668)	–
As at 31 December 2023	**1,825**	**61**	**512,193**	**16,102**	**530,181**	**2,430**
Book value:						
As at 31 December 2023	**39,362**	**1,217**	**951,576**	**11,171**	**1,003,326**	**670**
As at 31 December 2022	34,412	1,260	794,568	8,432	838,672	439

Freehold land and buildings

Freehold land and buildings include £590,000 of capitalised interest which arose on completion of the group's Milton Keynes head office in 1991.

Included in freehold land and buildings above is an amount of £1,475,000 which relates to limestone reserves on which depreciation of £57,000 has been charged during the year. (Cumulative depreciation to date is £634,000). The directors do not consider that this requires accounting for as a separate component. The historical cost of this is £650,000.

Company

All of the tangible fixed assets of the company comprise other vehicles, plant and equipment.

10. Investment property

Group	2023 £'000	2022 £'000
Fair value:		
As at 1 January	22,268	25,395
Transferred to Freehold land and buildings	–	(3,127)
Revaluation	4,254	–
As at 31 December	26,522	22,268

The comparable amounts, as determined using historical cost accounting requirements were: cost of £14,024,000 (2022: £14,024,000) and accumulated depreciation of £71,000 (2022: £68,000). Included in investment property above is £26,292,000 (2022: £22,038,000) relating to investment property in an agricultural estate purchased in 2008. The historic cost of this investment property was £13,888,000.

The fair values of the investment properties were determined as at 31 December 2023 by an independent external valuer, holding a professional qualification with the Royal Institute of Chartered Surveyors and having experience in the locations and classes of the investment properties valued. Investment properties were valued using assumptions made by the valuer, namely with regard to market evidence as indicated by sales of comparable properties and the valuer's knowledge and experience of the property market.

There are no restrictions on the realisability of investment property or the remittance of any income or proceeds on disposal. The company does not have any contractual obligations to purchase, construct or develop investment property for repairs, maintenance or enhancements.

Company

The company does not hold any investment property.

11. Investment in subsidiary undertakings

	2023 £'000	2022 £'000
Cost or valuation:		
As at 1 January	49,256	49,193
Additions	–	63
As at 31 December	49,256	49,256

This represents the investment by Dawsongroup plc in the entire issued ordinary share capital of its subsidiary undertakings, all of which are incorporated and operate within the United Kingdom except for Dawsongroup Temperature Control Solutions AG which is in Switzerland and Dawsongroup TCS LLC which is in the United States.

Subsidiary undertaking	Principal activity
Alexena Limited*	Property and investment.
Dawsongroup UK Limited*	Holding company of United Kingdom trading subsidiary undertakings.
Dawsongroup International Limited*	Holding company of overseas subsidiary undertakings.
Praedium Property Limited	Dormant.
Dawsongroup Temperature Control Solutions AG	Hire and sale of temperature-controlled products.
Dawsongroup Temperature Control Solutions LLC	Hire and sale of temperature-controlled products.

11. Investment in subsidiary undertakings continued

The following companies were the trading subsidiary undertakings held indirectly by Dawsongroup plc during the year ended 31 December 2023:

Subsidiary	Country of operation and incorporation	Principal activity
Dawsongroup Truck and Trailer Limited	United Kingdom	Hire of commercial vehicles and trailers.
Dawsongroup Bus and Coach Limited	United Kingdom	Hire of buses and coaches.
Dawsongroup Vans Limited	United Kingdom	Hire of commercial vans.
Dawsongroup Material Handling Limited	United Kingdom	Hire of material handling.
Lift Truck Services Limited	United Kingdom	Hire of material handling.
PMR Holdings Limited #	United Kingdom	Property and holding company.
Dawsongroup Environmental Municipal Civil Limited	United Kingdom	Hire of sweepers.
Dawsongroup Temperature Control Solutions Limited	United Kingdom	Hire of temperature-controlled products.
Tectoniks Limited	United Kingdom	Manufacturer of inflatable products.
D.G. Finance Limited *	United Kingdom	Vehicle finance.
Dawsongroup Finance Limited	United Kingdom	Finance specialists.
Ventura Rental Limited	United Kingdom	Buying and selling of fixed assets.
Dawsongroup Energy Solutions Limited	United Kingdom	Hire of environmental energy solutions.
Dawsongroup International BV	The Netherlands	Overseas holding company.
Thermobil Mobile Kühllager GmbH	Germany	Hire of temperature-controlled products.
Modulfroid Service SARL	France	Hire of temperature-controlled products.
Dawsongroup Benelux BV	The Netherlands	Hire of temperature-controlled products.
Dawsongroup Polska Sp. z o.o.	Poland	Hire of temperature-controlled products.
Dawsongroup TCS Ireland Limited	Ireland	Hire of temperature-controlled products.
Dawsongroup TCS Iberica S.L.	Spain	Hire of temperature-controlled products.
Dawsongroup Thermobil Austria GmbH	Austria	Hire of temperature-controlled products.
Dawsongroup TCS Limited	New Zealand	Hire of temperature-controlled products.
Dawsongroup TCS Italy S.R.L.	Italy	Hire of temperature-controlled products.

The registered office address for all UK entities is Delaware Drive, Tongwell, Milton Keynes MK15 8JH, with the exception of Tectoniks Limited whose registered office is Unit 1 Kinton Business Park, Nesscliffe, Shrewsbury, SY4 1AZ. The overseas registered offices are the same as their place of business as shown in the business directory on page 49.

All investments represent 100% of the issued ordinary share capital. 100% of the voting rights in each subsidiary undertaking are held ultimately by Dawsongroup plc.

* Alexena Limited (company registration number: 01455385), D.G. Finance Limited (company registration number: 02131494), Dawsongroup UK Limited (company registration number: 00453519) and Dawsongroup International Limited (company registration number: 06050609) all of which are ultimately 100% owned by Dawsongroup plc, have taken advantage of the exemption from the requirements of the Companies Act 2006 relating to the audit of accounts under Section 479A of the Act.

An application to strike off PMR Holdings Limited has been made since the year end.

12. Trade and other debtors

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Due within one year				
Trade debtors	**34,522**	**4**	31,318	4
Amounts receivable under finance lease	**9,298**	**–**	9,862	–
Other debtors	**28,583**	**7,600**	34,113	4,423
Prepayments	**8,446**	**1,548**	10,025	448
Tax recoverable	**7,450**	**13,439**	4,724	43,189
Loans receivable from subsidiary undertakings	**–**	**339,110**	–	265,712
Amounts owed by subsidiary undertakings	**–**	**49,981**	–	22,115
	88,299	**411,682**	90,042	335,891
Due after one year				
Amounts receivable under finance leases	**37,222**	**–**	32,952	–
	125,521	**411,682**	122,994	335,891

Included in other debtors are derivative financial instruments of £10.9m (2022: £14.9m). (Note 17).

Loans receivable from subsidiary undertakings are unsecured, repayable on demand and earn interest at 0.25% below base rate (or 0% when this would be negative). All other amounts owed to subsidiary undertakings are unsecured and repayable on demand.

13. Cash and cash equivalents

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Investments – short-term deposits				
Unrestricted	**11,877**	**11,856**	44,024	44,000
Restricted	**–**	**–**	–	–
Cash at bank and in hand	**9,016**	**285**	10,867	937
Total cash and cash equivalents	**20,893**	**12,141**	54,891	44,937
Less: restricted	**–**	**–**	–	–
Total unrestricted cash and cash equivalents	**20,893**	**12,141**	54,891	44,937

Amounts available for use by the group

Short-term deposit investments are subject to variable rates of interest, principally linked to base. The weighted average interest rate earned during the year was 1.7% (2022: 0.5%).

Cash at bank and in hand are subject to variable rates of interest, principally linked to base. The weighted average interest rate earned during the year was 4.7% (2022: nil%).

14. Borrowings

Group

	Due within one year £'000	Due after more than one year £'000	2023 Total £'000	Due within one year £'000	Due after more than one year £'000	2022 Total £'000
Bank overdrafts	24,843	–	24,843	23,232	–	23,232
US Private placement	–	203,797	203,797	–	206,411	206,411
Asset finance arrangements	102,615	129,099	231,714	78,596	107,939	186,535
	127,458	332,896	460,354	101,828	314,350	416,178

The group has a senior multi-currency revolving credit facility of £20m (included in bank overdrafts above) which is committed until 28 March 2025. Interest is payable on this at 2.10% over SONIA.

Asset finance arrangements

Asset finance arrangements comprise hire purchase, finance lease and other similar funding effectively secured on specific underlying hire fleet assets. These are all repayable by instalments as follows:

	2023 Total £'000	2022 Total £'000
Within one year	102,615	78,596
Between one and two years	77,086	58,900
Between two and five years	51,486	48,054
After more than five years	527	985
	231,714	186,535

The interest rate profile of these arrangements is as follows:

	2023 Total £'000	2022 Total £'000
Variable rate	217,083	174,712
Fixed rate	14,631	11,823
	231,714	186,535

Company

	Due within one year £'000	Due after more than one year £'000	2023 Total £'000	Due within one year £'000	Due after more than one year £'000	2022 Total £'000
Bank overdrafts	25,277	–	25,277	23,232	–	23,232
US private placement	–	203,797	203,797	–	206,411	206,411
	25,277	203,797	229,074	23,232	206,411	229,643

Bank overdrafts attract interest at a rate of 2.15% (2022: 2.15%) above base and are repayable on demand.

14. Borrowings continued

US private placement

In March 2022 Dawsongroup plc entered into a US private placement securing £100m of funding by issuing loan notes at a variable rate based on SONIA plus a margin of 1.14% due 31 March 2026 and a further €120m (£103.8m) of funding at a fixed rate of 1.62% due 31 March 2032. These are repayable as follows:

Group	2023 Total £'000	2022 Total £'000
Between two and five years	**100,000**	100,000
After more than five years	**103,797**	106,411
	203,797	206,411

Company	2023 Total £'000	2022 Total £'000
Between two and five years	**100,000**	100,000
After more than five years	**103,797**	106,411
	203,797	206,411

15. Analysis of changes in net debt

	1 January 2023 £'000	Cash flows £'000	Asset finance (advances)/ repayments £'000	Changes in exchange rates £'000	31 December 2023 £'000
Cash and cash equivalents					
Cash at bank and in hand	54,891	(34,002)	–	4	20,893
Bank overdrafts	(23,232)	(1,611)	–	–	(24,843)
	31,659	(35,613)	–	4	(3,950)
Borrowings					
Debt due within one year:					
Asset finance arrangements	(78,596)	–	(24,019)	–	(102,615)
Debt due after one year:					
US private placement	(206,411)	–	–	2,614	(203,797)
Asset finance arrangements	(107,939)	–	(21,160)	–	(129,099)
	(392,946)	–	(45,179)	2,614	(435,511)
Net debt	**(361,287)**	**(35,613)**	**(45,179)**	**2,618**	**(439,461)**

16. Trade and other creditors

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Due within one year				
Trade creditors	73,822	49	55,513	97
Accruals	36,799	9,314	44,703	19,258
Tax payable	971	–	1,131	–
Other tax and social security	2,569	207	1,699	163
Deposits payable to subsidiary undertakings	–	33,598	–	37,038
Amounts owed to subsidiaries	–	263	–	10
Derivative financial instruments (note 17)	–	–	408	–
	114,161	43,431	103,454	56,566
Due after one year				
Other creditors	7	–	76	–
	7	–	76	–

Deposits payable to subsidiary undertakings are unsecured, repayable on demand and incur interest at 1.25% (2022: 1%) above base rate.

17. Derivative financial instruments

The group's exposure to variable rate borrowings is hedged by the use of interest rate swaps under which the group pays interest at the following average fixed rates and receives interest at the relevant reference rate.

	2023 Total £'000	2023 Average rate %	2022 Total £'000	2022 Average rate %
Period to expiry:				
Within one year	–	–	20,000	4.25
Within two to five years	14,096	4.55	3,000	4.18
After more than five years	95,058	1.15	97,568	1.22
	109,154	1.59	120,568	1.80

The fair value of the interest rate swaps is as follows:

	2023 £'000
Fair value at 1 January 2023	(14,892)
Loss arising on fair value of interest rate swaps	3,967
Fair value at 31 December 2023	(10,925)

The fair value of the interest rate swaps has been estimated using valuation techniques that use market and non-market inputs to estimate the expected discounted cash flows as determined by the issuer of the derivative contract.

18. Provisions for liabilities and charges

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Employee benefits	27,879	9,967	7,395	3,057
Deferred tax	16,423	–	4,265	–
Other provisions	461	–	1,216	–
	44,763	9,967	12,876	3,057

Employee benefits	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Long-term incentive schemes	27,879	9,967	7,395	3,057
	27,879	9,967	7,395	3,057

The provision for long-term incentive schemes at 31 December 2023 was £22,932,000 (2022: £2,240,000) in respect of the directors' long-term service bonus scheme (note 4) and £4,947,000 (2022: £5,155,000) relating to schemes in place for other employees.

Deferred tax	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Accelerated capital allowances	19,713	–	4,693	–
Other timing differences	(7,880)	–	(4,150)	–
Derivative instruments held at fair value	4,590	–	3,722	–
Provision for deferred tax	16,423	–	4,265	–
Deferred tax asset	(7,880)	–	(4,150)	–
Deferred tax liability	24,303	–	8,415	–
Net deferred tax liability	16,423	–	4,265	–

The net deferred tax liability expected to reverse in 2024 is £nil.

Other provisions	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Future contractual liabilities	461	–	1,216	–
	461	–	1,216	–

18. Provisions for liabilities and charges continued

Reconciliation of movements in the year

	Employee benefits £'000	Deferred tax £'000	Other provisions £'000	Total £ '000
Group				
As at 1 January 2023	7,395	4,265	1,216	12,876
Charged / (credited) to profit or loss	22,514	12,233	(325)	34,422
Utilised in the year	(2,013)	(52)	(430)	(2,495)
Exchange adjustment	(17)	(23)	–	(40)
As at 31 December 2023	27,879	16,423	461	44,763

	Employee benefits £'000
Company	
As at 1 January 2023	3,057
Charged to profit or loss	7,291
Utilised in the year	(381)
As at 31 December 2023	9,967

19. Called up share capital

	2023 Number	2023 £'000	2022 Number	2022 £'000
Authorised				
Ordinary shares of 25p each	**51,000,000**	**12,750**	51,000,000	12,750
Allotted, issued and fully paid				
Ordinary shares of 25p each	**32,228,962**	**8,057**	32,228,962	8,057

The ordinary shares carry one voting right per share and no right to fixed income.

20. Dividends

	2023 p per share	2022 p per share	2023 £'000	2022 £'000
Ordinary shares:				
First interim paid	**12.4**	18.6	**3,997**	5,995
Second interim paid	**6.2**	9.3	**1,998**	2,997
Third interim paid	**6.2**	–	**1,998**	–
	24.8	27.9	**7,993**	8,992

21. Operating lease commitments

The group as lessee

The group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2023		2022	
	Hire fleet £'000	Land and buildings £'000	Hire fleet £'000	Land and buildings £'000
Not later than one year	**5**	**1,850**	11	1,637
Later than one year not later than five years	**–**	**2,393**	2	2,206
Later than five years	**–**	**640**	–	545
Total future minimum lease payments	**5**	**4,883**	13	4,388

The group as lessor

The group leases hire fleet, other vehicles, plant and equipment and land and buildings to third parties. The future minimum lease payments receivable under those non-cancellable leases are as follows:

	2023		2022	
	Hire fleet £'000	Land and buildings £'000	Hire fleet £'000	Land and buildings £'000
Not later than one year	**130,841**	**420**	130,334	410
Later than one year not later than five years	**155,556**	**1,185**	139,319	1,350
Later than five years	**3,057**	**1,935**	3,981	2,182
Total future minimum lease payments	**289,454**	**3,540**	273,634	3,942

The above table excludes expired contracts and those contracts that are transient in nature. These are all for less than one year.

The company as lessee

The company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as at the reporting date as follows:

	2023 Land and buildings £'000	2022 Land and buildings £'000
Not later than one year	**347**	327
Later than one year not later than five years	**1,388**	1,309
Later than five years	**578**	873
Total future minimum lease payments	**2,313**	2,509

22. Capital commitments

Future capital expenditure	2023 £'000	2022 £'000
Outstanding contracts for capital expenditure	**248,086**	282,966

Future purchase undertakings

As part of its trade, the group has undertaken to purchase commercial vehicles and trailers from certain lessors and manufacturers upon the future termination of operating lease agreements or other arrangements with third parties at prices estimated to be not less than realisable value at the time of purchase. At 31 December 2023 the maturity periods and maximum amount of these undertakings were:

	2023 £'000	2022 £'000
Not later than one year	**2,680**	221
Between two and five years	**5,030**	8,735
Later than five years	**1,625**	306
Total future purchase undertakings	**9,335**	9,262

23. Contingent liabilities

Company

The company has given guarantees in respect of certain financial obligations of its subsidiary undertakings in the normal course of business. At 31 December 2023 these obligations amounted to £231,380,000 (2022: £186,519,000).

The company has entered into a cross guarantee with various other group companies to secure their banking facilities.

24. Related party transactions

Advantage has been taken of the exemption conferred by Section 33 *Related Party Disclosures* not to disclose transactions with subsidiary undertakings 100% of whose voting rights are controlled within the group.

Five Year Record

	2023 £'000	2022 £'000	2021 £'000	2020 £'000	2019 £'000
Turnover	392,581	354,957	323,644	268,424	269,755
Operating profit before exceptional items	96,337	90,868	62,797	50,909	50,544
Gains on revaluation of investment properties	4,254	–	–	4,226	–
Exceptional items	–	41,374	–	–	–
Profit on ordinary activities before interest and fair value of derivatives	100,591	132,242	62,797	55,135	50,544
Net interest payable	11,254	5,866	10,709	10,508	10,292
Profit before tax and fair value of derivatives	89,337	126,376	52,088	44,627	40,252
(Losses) / gains on fair value of derivatives	(3,967)	50,039	21,271	(11,161)	(2,451)
Profit before tax	85,370	176,415	73,359	33,466	37,801
Intangible fixed assets	(21)	(19)	(32)	(64)	(240)
Tangible fixed assets	1,003,326	838,672	769,611	706,997	668,680
Investment property	26,522	22,268	25,395	25,395	21,169
Net assets / (liabilities) (excluding cash and borrowings)	10,332	9,294	(42,122)	(28,463)	(47,659)
Provisions for liabilities and charges	(44,763)	(12,876)	(17,692)	(16,468)	(16,145)
Net assets employed	995,396	857,339	735,160	687,397	625,805
Share capital	8,057	8,057	8,057	8,057	8,057
Reserves	558,803	502,887	372,929	320,348	293,773
Shareholders' funds	566,860	510,944	380,986	328,405	301,830
Net borrowings	439,461	361,287	319,027	302,574	278,717
Derivatives	(10,925)	(14,892)	35,147	56,418	45,258
Capital employed	995,396	857,339	735,160	687,397	625,805
Operating profit before exceptional items as a percentage of:					
Turnover	24.5%	25.6%	19.4%	19.0%	18.7%
Average capital employed	10.4%	11.4%	8.8%	7.8%	8.3%
Borrowing ratio	78%	71%	84%	92%	92%
Average number of employees	1,059	974	941	968	991
Turnover per employee (£)	370,709	364,433	343,936	277,297	272,205
Operating profit per employee (£)	90,970	93,293	66,734	52,591	51,003

Business Directory

UK business centres
(supported by a branch network of 30 locations)

Dawsongroup Bus and Coach Limited
Delaware Drive
Tongwell
Milton Keynes MK15 8JH
t: 01908 218111
e: contactus@dawsongroup.co.uk

Used bus and coach disposals division
Ventura
Wharley Road
Cranfield, Milton Keynes MK43 0AW
t: 01908 218111
e: contactus@venturasales.co.uk

Dawsongroup Environmental Municipal Civil Limited
Municipal House
Armytage Road
Brighouse HD6 1PT
t: 01484 400111
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Dawsongroup Energy Solutions Limited
Delaware Drive
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Milton Keynes MK15 8JH
t: 01908 218111
e: contactus@dawsongroup.co.uk

Dawsongroup Finance Limited
21 Headlands Business Park
Ringwood BH24 3PB
t: 01425 474070
e: contactus@dawsongroup.co.uk

Dawsongroup Material Handling Limited
Aberford Road
Garforth
Leeds LS25 2ET
t: 01132 874874
e: contactus@dawsongroup.co.uk

Lift Truck Services Limited
Unit 1C Old Park Industrial Estate
Old Park Road
Wednesbury
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t: 0121 502 3455
e: contactus@dawsongroup.co.uk

Dawsongroup Temperature Control Solutions Limited
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e: info@dgtcs.co.uk

Tectoniks Limited
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Shrewsbury
Shropshire SY4 1AZ
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e: info@tectoniks.com

Dawsongroup Truck and Trailer Limited
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e: contactus@dawsongroup.co.uk

Used vehicle disposals division
Dawsondirect
Delaware Drive
Tongwell
Milton Keynes MK15 8JH
t: 01908 218111
e: contactus@dawsongroup.co.uk

Dawsongroup Vans Limited
Dawson Road
Mount Farm
Milton Keynes
Buckinghamshire MK1 1JN
t: 01908 335177
e: contactus@dawsongroup.co.uk

Used van disposals division
Van Ninja
Dawson Road
Mount Farm
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Buckinghamshire MK1 1JN
t: 0844 8003004
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Overseas business centres

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e: info@thermobil.de

Ireland
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