Roadside Real Estate PLC.

Roadside Real Estate plc

Following a refocus in strategy, Barkby Group plc changed its name to Roadside Real Estate plc (“RRE”).

Relevant.

RRE is focused on building and scaling a high-quality portfolio of modern, ESG-compliant roadside real estate assets targeting a clear market opportunity.

Value of Investment Properties

£8.7m

For more details see **pg2**

Restless.

We have built a significant pipeline of developments that will comprise drive-thrus, trade counters, last mile logistics, convenience food, EV charging hubs and light industrial commercial uses.

Joint Venture funding up to

£100m

For more details see **pg8**

Respected.

We have formed a joint venture with Meadow Partners LLP, to acquire and develop a portfolio of UK-based roadside real estate assets.

Development Pipeline to be funded via joint venture with minimum RRE ownership of 3%

£250m

For more details see **pg26**

View the latest information at: www.roadsideplc.com

Financial highlights

Revenue (£m)

£0.1m

(2022: £4.3m)

2023	0.1
2022	4.3
Change	-4.2

Loss for the period

(£10.2m)

(2022: (£9.5m))

2023	-10.2
2022	-9.5
Change	-0.7

Basic earnings per share (pence)

(7.00)

(2022: (6.68))

2023	-7.00
2022	-6.68
Change	-0.32

Operating (loss)/profit from continuing operations

(£5.3m)

(2022: £1.5m)

2023	-5.3
2022	1.5
Change	-6.8

Net Increase/(decrease) in cash (£m)

£0.0m

(2022: (£0.4m))

2023	0.0
2022	-0.4
Change	+0.4

Net assets/(liabilities) per share (pence)

(12.44)

(2022: (5.37))

2023	-12.44
2022	-5.37
Change	-7.07

Operational highlights

Property Development

During the period we completed our first two developments located at Wellingborough and Maldon. Both developments are fully let to blue chip tenants with long term index linked rental agreements. Wellingborough was valued at £3.9m and Maldon at £4.8m as at 30 September 2023.

Strategic Focus

Due to our focus being solely on Real Estate, the company was renamed from Barkby Group Plc to Roadside Real Estate Plc after the period end. We continue to divest of all other business and expect to complete this fully in the next financial year.

Outlook

Our future focus is on building and scaling a substantial portfolio of modern ESG compliant real estate investments. These sites will primarily be modern roadside developments with strong ESG credentials that are able to meet the increasing demand from retail outlets for drive through or out of town locations.

After the period end, RRE entered a Joint Venture agreement to facilitate the expansion of its real estate strategy. A debt refinancing process was also completed to ensure RRE has sufficient resources to execute this strategy.

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View the latest information at:
www.roadsideplc.com

Group at a Glance

Relevant.

RRE focuses on its core business of Roadside real estate development and investment.

Overview

RRE focuses on its core business of Roadside real estate development and investment. RRE formed a joint venture with Meadow Partners LLP ("Meadow") in October 2023. The joint venture (the "JV") will acquire and develop a portfolio of UK-based Roadside Real Estate assets. We believe the JV has the opportunity to create a portfolio worth £250 million over time. RRE will contribute and own at least 3% of the joint venture.

During the period, the group continued to exit its other operating business. Workshop Coffee was disposed of in August 2023 and operations at Centurian Automotive have been wound down.

A number of pub leases were surrendered during the period, and the remaining leasehold portfolio will be disposed in the next financial period.

A partial sale of RRE's investment in Cambridge Sleep Sciences was agreed post year end and will complete in May 2024 2024. The commercial terms were £7.5m for 10% of CSS's total issued share capital.

Our Businesses

Real Estate.

RRE's focus is to build and scale a high-quality, substantial portfolio of modern, ESG compliant Roadside Real Estate investments. Construction has progressed well at the Company's Wellingborough and Maldon developments, with construction completed at both sites during the period.

Wellingborough was valued at £3.9m and Maldon at £4.8m at 30 September 2023 based on external RICS valuations.

For more details see pg12

Joint Venture.

RRE formed a joint venture with Meadow to acquire and develop a portfolio of UK-based Roadside Real Estate assets and enable RRE to implement a fully funded strategy to institutionalise a new asset class within the real estate sector.

For more details see pg4

Investments.

Cambridge Sleep Sciences, ("CSS") has made significant progress on its Software-as-a-Service license-based business model and agreed several global licensing deals. A strategic review of the business is underway with the aim of maximizing value at exit.

An unconditional sale agreement equivalent to 10% of CSS was agreed after the balance sheet date and the sale of RRE's remaining stake is expected to complete in the next financial year.

Three pubs were exited during the period, and two further exits were completed after the period end. The remaining four sites are on track for exit imminently.

All other investments have been disposed of to focus on real estate.

For more details see pg17

Investment Case

1.

JV Overview.

The Group explored a variety of options to fund its strategy amidst a challenging capital markets environment. The Board concluded that the JV offered the best structure to support the successful implementation of its strategy, maximising the creation of sustainable shareholder value. The formation of the JV creates a well-capitalised vehicle capable of rapidly deploying investment in target assets.

The JV will focus on acquiring sites where it can offer consumers a mix of Drive Thru, Foodvenience, Local Logistics and Trade Counter businesses alongside opportunities to increase EV charging facilities.

The JV intends to create a modern roadside portfolio worth over £250 million through acquisition, asset management and development, including opportunities across the portfolio for electric vehicle charging infrastructure.

2.

Meadow Partners LLP.

Meadow is a real estate private equity manager based in New York and London with US$6.2 billion gross assets under management. Meadow specialises in middle-market real estate transactions across all sub-sectors and risk profiles. Its partners have been responsible for the acquisition and ongoing asset management of over US$30 billion of real estate assets located in the United States, Europe and Asia. Meadow is now investing Fund VI.

Meadow will initially own and fund 97% of the JV while RRE will own and fund 3%.

3.

RRE's current portfolio.

RRE's existing wholly-owned portfolio of Roadside assets comprises two schemes:

- **Wellingborough**, which achieved practical completion in May 2023 and is fully let, providing a contracted rent of £232,300 per annum across a total rentable space of 14,100 sq.ft. Occupiers include Greggs, Formula One Autocentres, City Plumbing Supplies and Brewers Decorator Centre.
- **Maldon** reached practical completion in November 2023 and has a contracted rent of £286,000 per annum, 78% of which is index-linked with caps and collars, across a total rentable space of 14,200 sq.ft.

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4.

Pipeline.

The JV has a prospective Roadside Real Estate investment pipeline in excess of £150 million as more stock comes to the market and additional approaches are being made to the Company by vendors. Tenant demand for these sites is strong, attracting high-quality nationwide operators, underpinning reliable, long term income streams.

The JV acquired its first asset in Stoke for a total cost of £5.28 million. Meadow acquired the asset in September 2023 and sold it to the JV at cost in October 2023. The Acquisition was funded in line with the principal terms of the JV's equity commitments, whereby Meadow own and funded 97% of the JV while RRE own and funded 3%.

Two further assets were acquired after the period end located in Gosport and Coventry. They were acquired for £2.8m and £3.3m respectively, with RRE funding 3% of the acquisition price.

5.

Principal terms of the JV.

Initially, Meadow will own and fund 97% of the JV while RRE will own and fund 3%. RRE may exercise an additional investment option at its discretion to increase its aggregate ownership percentage to up to a maximum of 10% whithin the first 12 months.

The JV is able to request up to £100 million of equity funding from RRE and Meadow to facilitate the purchase of assets within the scope of its business over an initial investment period of 30 months. Under the agreement, RRE would be required to fund at least £3m of the £100m.

The JV is targeting a double-digit portfolio IRR for the investment period. Surplus proceeds from the realisation of the JV's portfolio, after an initial rate of return hurdle for Meadow, will be distributed to RRE and Meadow. RRE may also receive an additional share of surplus proceeds as a performance fee, dependent on aggregate returns to the parties.

6.

Development and asset manager.

As part of the JV, RRE has established a UK incorporated subsidiary vehicle, Roadside Asset Management Limited, that will provide development and asset management services, (the "Development & Asset Manager") of which RRE owns 51% and Meadow owns 49%. The JV will pay the Development & Asset Manager an annual fee based on Gross Asset Value under management and development management fees on the hard construction costs of those assets being developed.

Executive Chairman's statement

Charles Dickson
Executive Chairman

"Strong opportunity to expand our commercial property expertise to become a successful Roadside real estate asset manager."

Aim to increase investments and developments under management to

£250m+

funded via joint venture with minimum RRE contribution and ownership of 3%

Focused on scaling our established real estate business with a particular focus on ESG compliant roadside developments.

Introduction to Governance

The Chairman's Introduction to governance has been provided at the start of the Governance Report.

For more details see pg26

The Group has made good progress on its strategic intention to focus on real estate and dispose of non-core Investments. To reflect the significant progress towards this strategy, Barkby Group plc changed its name to Roadside Real Estate plc in January 2024.

Strategic Focus

As previously outlined, the Group endured a difficult start since listing on AIM in January 2020 due to the impact of Covid on its hospitality and other businesses. We emerged from these early years with a renewed focus on our real estate business and the opportunity it created.

During the period, we completed our first roadside real estate development at Wellingborough, which was followed by completion of our second site at Maldon. Due to an increase in yield expectations in line with higher interest rates, we recognised a decrease in the fair value of our investment properties of £2.6m in the period.

We are also pleased to be working with our new joint venture partner, Meadow, to develop our roadside real estate portfolio by acquiring high-quality sites where we can meet the requirements and demands of both local communities and businesses by offering a mix of Drive Thru, Foodvenience, Local Logistics and Trade Counter Businesses, alongside EV charging facilities.

With access to the capital required, the JV can institutionalise a new asset class within the real estate sector.

The JV's first acquisition was completed in October 2023 at Stoke. This asset has scope for several accretive investment opportunities, not least the installation of much-needed EV charging infrastructure. Two further sites were subsequently acquired at Gosport and Coventry.

Outlook

RRE is focused on two further development assets in Swindon and Spalding and looks forward to updating shareholders in due course.

The JV has a prospective roadside real estate investment pipeline in excess of £150 million, which we are confident will attract high-quality nationwide tenants, underpinning reliable, long term income streams. RRE will offer exciting potential for investors and we believe this JV has the opportunity to create a portfolio worth £250 million over time. RRE will contribute and own at least 3% of the joint venture and will earn ongoing asset management fees for the joint venture assets.

Finally, I would once again like to recognise our most important attribute, our people, who have demonstrated solidarity and commitment across the group. Despite substantial changes within the business, and the impact of events outside our control, I have been hugely impressed and proud of the attitudes shown across all of our teams. We now look forward to rolling out our real estate strategy and unlocking its potential for success.

Charles Dickson
Executive Chairman

2 May 2024

Our Approach

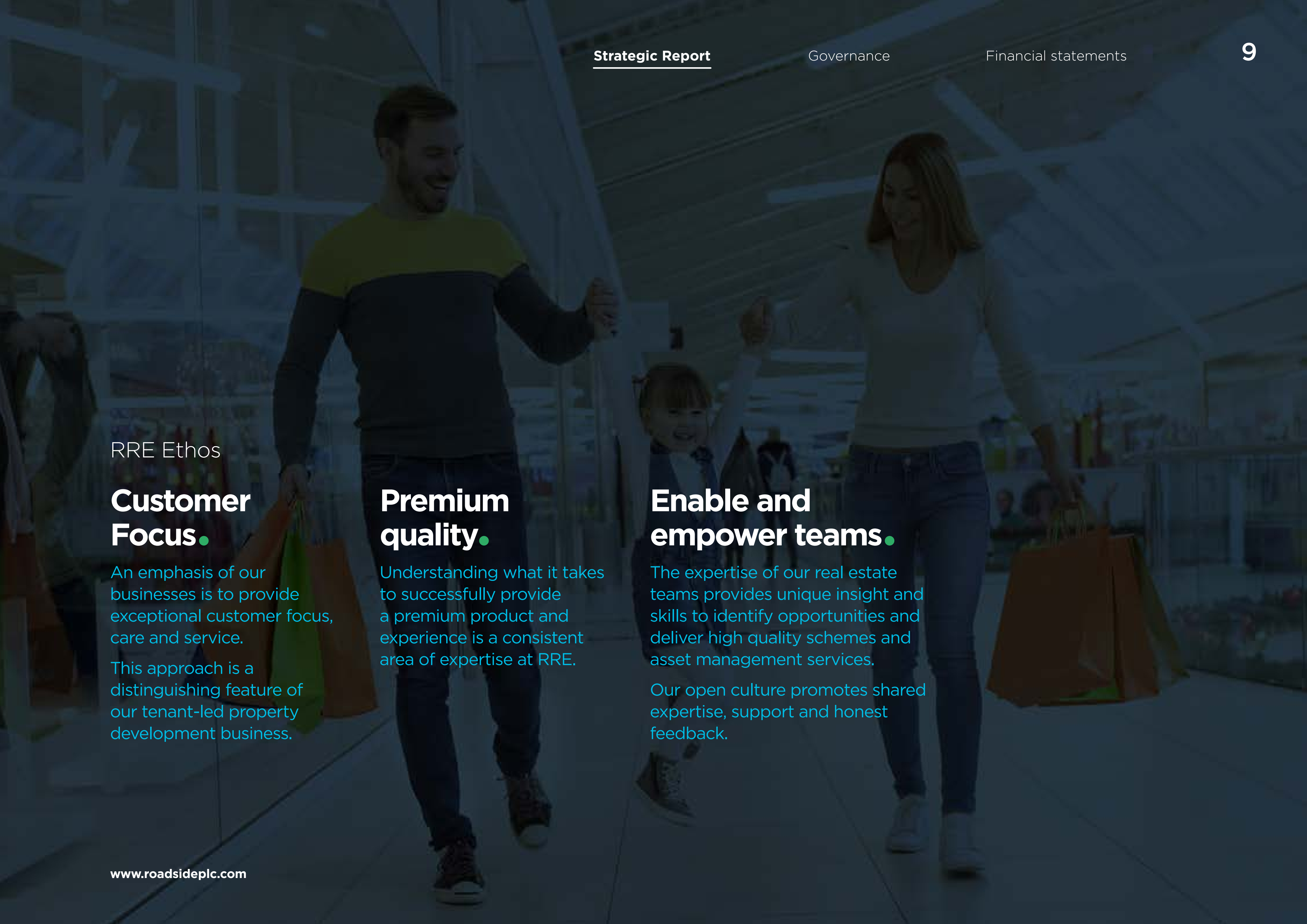
Restless.

We are focused and committed to delivering value to all of our stakeholders from the opportunities identified in Roadside real estate.

Overview

RRE has a clear and focused strategy with the following aims:

- Accelerate and maximise opportunities within the Group's established commercial property development business.
- Retain Real Estate assets to strengthen the balance sheet and provide recurring income.
- Acquire new Real Estate assets that meet our specified criteria of Roadside investments with strong ESG credentials.
- Divest of Cambridge Sleep Sciences to maximise shareholder value and enable absolute focus on the Real Estate opportunities.



RRE Ethos

Customer Focus.

An emphasis of our businesses is to provide exceptional customer focus, care and service.

This approach is a distinguishing feature of our tenant-led property development business.

Premium quality.

Understanding what it takes to successfully provide a premium product and experience is a consistent area of expertise at RRE.

Enable and empower teams.

The expertise of our real estate teams provides unique insight and skills to identify opportunities and deliver high quality schemes and asset management services.

Our open culture promotes shared expertise, support and honest feedback.

Business and Financial Review

In 2023 RRE focused on developing the growth opportunities in its core Real Estate business.

The commercial property developments progressed significantly during the period, with construction completing at two schemes in May and September 2023 respectively.

We are now looking to significantly scale our focused Roadside commercial property business in line with the funding available from our JV.

As we complete the restructuring of the group, we have reviewed our central functions to ensure they are appropriate going forward.

Revenue by entity	2023 (15 months)	2022 (12 months)
Real Estate	**£0.1m**	£4.3m
Barkby Pubs (discontinued)	**£8.1m**	£6.0m
Workshop Coffee (sold)	**£1.9m**	£1.5m
Centurian Automotive (discontinued)	**£6.0m**	£7.5m
Cambridge Sleep Sciences (discontinued)	**£0.0m**	£0.2m
Total	**£16.1m**	£19.5m

"The 2023 results include the trading results of Real Estate only as continuing operations for the 15 month period to 30 September 2023. The other businesses are accounted for as discontinued operations in accordance with the strategic decision to exit these companies."


SIGNAGE

Our Business

Real Estate.

Our Commercial Property Development business specialises in developing contract backed sites alongside acquiring and managing Roadside real estate assets across the United Kingdom.

The Company has a proven profitable track record of sourcing and developing commercial property projects.

Our Real Estate strategy now focusses on retaining completed developments, which is our intention for the two developments completed during the period at Wellingborough and Maldon.

Market Overview

RRE sources and develops commercial property schemes across the United Kingdom. RRE specialises in Roadside developments including mixed-use trade and retail parks with retail warehouses, logistics, storage, industrial, leisure and quick food service.

Recent acquisition and development deals have now been impacted by macro-economic conditions, including inflation and higher interest rates. Due to an increase in yield expectations in line with higher interest rates, we recognised a decrease in the fair value of our investment properties of £2.6m in the period.

However, this has created some excellent acquisition opportunities and there remains a strong interest in the Group’s upcoming schemes from tenants.

Completed projects

Wellingborough, Northants

The development is located on Dennington Road and has excellent links to local communities in Northampton and Kettering, main arterial A-roads and the M1. The site was purchased in January 2021 for £540,000 subject to planning and was 90% pre-let prior to construction works commencing to reposition the site in line with the Company's investment criteria.

The Asset's total rentable space of 14,100 sq.ft. is occupied by Greggs (as a Drive Thru), Formula One Autocentres, City Plumbing Supplies and a branch of Brewers Decorator Centre, producing a total rental income of £232,300 per annum. These tenants meet our demanding occupier criteria by virtue of their strong structural underpinnings, brands and covenants. The Asset benefits from a WAULT of over 12 years, with index-linked rental agreements. Following completion, the Asset has an EPC rating of A and its sustainability credentials will shortly be further enhanced by the completion of four Ultra-fast EV charging bays, creating a new income stream for the Asset and delivering new customer footfall for tenants.

Maldon, Essex

The Maldon development is situated just off the A414 Wycke Hill in a prime location next to Wycke Hill business park and near the town of Maldon, where 1,500 new dwellings are currently under development. It was purchased in October 2021 for £2.2m. The Asset's total rentable space of 14,200 sq ft will be occupied by a Costa Coffee (as a Drive Thru), Formula One Autocentres, Toolstation, City Electrical Factors and Be-EV producing a total rental income of £286,000 per annum, 78% of which is index-linked with caps and collars. These tenants meet the Company's demanding occupier criteria by virtue of their strong structural underpinnings, brands and covenants. Following completion, the Asset has an EPC rating of 'A', and the site has been further enhanced with the addition and completion of four Ultra-fast EV charging bays.

Business and Financial Review

Our Commercial Development Process

A process that focuses on risk mitigation and produces high returns

THE LAND
Unlike many traditional developers we do not retain land.
We contract to buy land subject to an acceptable planning consent.

THE TENANTS
We only contract to buy land if we have tenant interest in the scheme we are promoting and we know with certainty that we can pre-let more than 70% of the GDV of a scheme pre-construction phase.

PLANNING AND AGREEMENTS TO LEASE
Once we have a contracted a development site we submit our planning application and in tandem sign our prospective tenants up to agreements to lease (“AtL”).

FUNDING AND CONSTRUCTION
Once planning is granted and tenants are legally committed to the scheme, we have the option to fund the development via the Meadow Joint Venture or put in place development finance to build and retain as an investment. We then build the scheme on a fixed price contract.

COMPLETION
We deliver a completed scheme to tenants to fit out at practical completion. At this point we will retain and refinance the scheme or sell to the Meadow Joint Venture.

The whole process is usually 18-24 months from start to finish, with planning and site assembly taking c.9-12 months and funding and construction taking c.9-12 months.

Land Acquisitions and Planning

The Government has published proposals for reform of the land use planning system. The most significant changes aim to improve the slow and complex system of local development plans. We believe that future legislation has the potential to reduce development timeframe and associated costs.

Tenant Demand

Some of the existing underlying real estate trends, such as increased online delivery and working from home have accelerated in recent years, whilst demand for logistics space has also been significant. This has generated changes in tenant demand in some sectors, whilst others have remained relatively insulated or seen growth.

Due to our flexible tenant-led approach, RRE can focus its activity to match tenant demand. We have seen a shift away from traditional retail parks, but demand from trade and quick service food tenants has been robust.

We have strong experience in Roadside retail developments, which have been the focus of recent developments and will be our focus going forward.

Each development project takes approximately 18-24 months to complete, therefore many tenants adopt long-term views in their expansion strategies.

Business Model and Strategy

RRE follows a process that mitigates risk in the development and ensures clear financial visibility over the lifecycle of each scheme. RRE does not purchase land speculatively, it acquires land under purchase agreements that are subject to obtaining the required planning consents for the scheme.

Our tenant-led approach is built on established relationships with a broad range of national occupiers and other key tenants. This gives clear visibility of potential tenant’s geographical growth strategies and allows RRE to confirm tenant interest in a proposed scheme at an early stage.

A pre-let threshold of 70 per cent is targeted before commencing construction. Typical tenants of RRE schemes include Aldi Stores Limited, Greggs Plc, Costa Limited, MKM Building Supplies Limited, Travis Perkins plc, Halfords Group Plc and others.

In line with our tenant-led approach, RRE adopts a pro-active approach to land acquisitions. This approach can require a land-assembly of multiple parcels of land and often includes off-market purchases.

Once a contracted development site has been obtained, planning applications are submitted and prospective tenants execute ‘agreement to lease’ documentation. After planning has been granted and the future tenants are legally committed to the scheme developments can be forward funded with institutional buyers, who fund costs incurred to date and commit to fully fund construction through to completion via monthly payments. The scheme is then built on a fixed price contract. In some instances, development finance is used before selling the completed scheme.

The completed scheme is then delivered to the tenant to fit out at practical completion. RRE could sell the scheme to an institutional buyer at this point, however it is now focussing on retaining its developments and building a portfolio of high quality road side retail investments via its joint venture with Meadow partners.

RRE's projects target a gross development value of between £3.0 million and £20.0 million and a minimum EBITDA margin of 20 per cent on each project. RRE has traditionally maintained a development pipeline totaling at least £30m gross development value. We are now looking to significantly scale our focused Roadside commercial property business and will aim to increase investments and developments over the next 12 months.

Financial Review

Revenue and costs are recognised across the life of each scheme and can often span multiple financial periods. Due to an increase in yield expectations in line with higher interest rates, we recognised a decrease in the fair value of our investment properties of £2.6m in the period.

Further details of our revenue recognition policy can be found on page ••.

Swindon, Wiltshire

We have exchanged contracts to acquire a site in Swindon for £1.75m subject to planning. We have submitted planning for a 25,800 sq.ft. scheme incorporating Self Storage, Coffee Drive Thru and a Trade Counter operator. We have agreed to sell the Self Storage element of the site to a operator for £1.5m. The residual scheme will have a GDV of c.£3m and an estimated rental value of £200k, the current intention is to transfer it into the Meadow JV.

Residual GDV of

c.£3.0m

See more online at:
www.roadsideplc.com/our-business/real-estate

Business and Financial Review (continued)

Discontinued Operations

Barkby Pubs

Barkby Pubs is a boutique hospitality business focused on premium pubs with rooms located in Oxfordshire, Gloucestershire, Berkshire and West Sussex.

Two leases were surrendered during the period and the freehold of The Plough at Kelmscott was sold for £0.9m in August 2023.

After the period end, two further leases were surrendered to landlords and the remaining leasehold and tenancy pubs are in the process of being sold to identified buyers.

The pub business made revenue of £8.2m during the financial period (2022: £6.0m) and a net loss of £1.8m (2022: Loss of £6.4m). Further details of financial performance can be found in the discontinued operations note.

Centurian Automotive

Centurian Automotive is an automotive dealership. The company wound down its trading from the start of 2023, with the final stock vehicles now disposed of.

Centurian made revenue of £6.0m during the financial period (2022: £7.5m) and a net loss of £0.9m (2022: loss of £2.4m). Further details of financial performance can be found in the discontinued operations note.

Workshop Coffee

Workshop Coffee is a speciality coffee roaster that operates a wholesale and online business. Workshop Coffee was sold via a management buy out by a related party in August 2023. The transaction included the repayment of £0.2m of intercompany lending and £0.3m of deferred consideration, which has been received post period end.

Workshop made revenue of £1.9m during the financial period (2022: £1.5m) and a net loss of £0.6m (2022: loss of £0.8m). Further details of financial performance can be found in the discontinued operations note.

Investments

Cambridge Sleep Sciences

RRE acquired the intellectual property rights to develop or license a device that delivers scientifically formulated sounds to improve and facilitate natural sleep.

The importance and benefits of sleeping patterns continue to be an area of focus in health and wellness. The market is relevant to both those with sleeping disorders as well as people wanting improvements in everyday sleep.

There are also significant opportunities in the Healthcare space. Further studies looking at disease areas where insomnia is a significant symptom are in the planning phase. We have seen positive early sleep improvement signals in patients with Parkinsons Disease.

Since launch, SleepHub has received positive reviews in major publications including The Telegraph, The Daily Mail and Metro. SleepHub has also featured in magazines such as Ideal Home alongside a number of health and wellbeing titles.

During the financial period, CSS has made encouraging progress on several new multi-year licensing, streaming and royalty contracts with blue chip multi-national customers across TVs, Smart Watches, Pillows, Mattresses and Hotels. To date, CSS's pipeline continues to strengthen and it is in the final stages of negotiation on a number of new agreements.

A partial sale of RRE's investment in Cambridge Sleep Sciences was agreed post year end and will complete in May 2024.

The commercial terms were £7.5 million for 10% of CSS's total issued share capital. RRE now retains a 65% shareholding in CSS. The board will continue to pursue plans to sell its remaining shareholding in CSS in the best way to maximise shareholder value.

Cambridge Sleep Sciences incurred development, marketing and administrative costs totalling £0.5m during the period (2022: £0.7m).

Principal Risks and Uncertainties

The Board is responsible for reviewing risks to ensure that the business is not exposed to unnecessary or inappropriately managed risks.

Risk	Potential Impact	Mitigation
Real Estate Funding		
Macro-economic factors, such as higher interest rates, low GDP and an unstable global geopolitical landscape have impacted the availability of capital for real estate development and investment in the UK.	Funding is required to deliver the development pipeline and to facilitate the opportunity identified in Roadside real estate acquisitions and management.	**RRE has entered a joint venture with Meadow partners to acquire and develop a portfolio of UK-based Roadside Real Estate assets.** **The management team explored a variety of options to fund its strategy amidst a challenging capital markets environment and concluded that the JV offered the best structure to support the successful implementation of its strategy, maximising the creation of sustainable shareholder value.** **The formation of the JV creates a well-capitalised vehicle capable of rapidly deploying investment in target assets.**
Economic and Political Factors Beyond the Group's Control		
A downturn in the macro-economic climate may impact demand generally across our businesses. Costs may be increased by changes to government policy, including tax changes or other legislation.	The Board has planned for a variety of potential scenarios including mitigations for any fundamental reduction in demand. RRE has a flexible cost base, with limited contracted fixed costs.	**The Group has flexibility in the structure and nature of its developments and can adapt to economic factors. The Group's cost base remains tightly controlled.**
Land Acquisition and Planning Risk		
The property development pipeline is dependent on sourcing land and obtaining planning permission to meet tenant demand.	Due to the nature of site acquisitions and planning applications, there is an inherent element of timing uncertainty and project feasibility which could impact the development pipeline.	**The management team seeks to maintain an active forward looking pipeline to provide sufficient time to prepare sites for development.** **To mitigate the planning consent risk, we do not complete site acquisitions until planning is obtained.** **Management intends to expand the development pipeline to £250m, which will be funded via our joint venture.**

Risk	Potential Impact	Mitigation
Real Estate Tenant Demand		
RRE follows a tenant-led approach that identifies development opportunities in response to tenant demand. Changes in tenant demand trends must be identified and responded to.	RRE has developed a range of commercial development types and maintains close links with tenants spanning a range of industries.	**Close communication and strong relationships enable us to anticipate and react to changes in demand.** **We have noticed a change in demand from certain sectors of retail.** **Demand for mixed-use schemes including quick service food retail, drive-thru's and trade parks remains robust.**
Impact of strategic restructuring		
The decision to focus on Roadside real estate requires the Group to dispose of all other non-core businesses. This process may have financial implications and require significant management focus.	The Board has planned for a variety of potential scenarios including delays to the disposal of discontinued operations and the requirement to provide financial support to exit commitments.	**Management have provided regular updates to the board on the disposal process.** **The disposal of all discontinued operations has now completed, with the exception of Cambridge Sleep Sciences and Barkby Pubs. Management have impaired investments in CSS but have realised positive cash flow from the partial sale and intend to sell RRE's remaining stake within 12 months.**
Key Management		
Loss of key personnel could impact RRE's ability to implement its strategy and intended pace of growth.	Business plans and initiatives are prepared with input from a range of personnel to reduce reliance on single individuals.	**RRE has reviewed its key management requirements and will continue to adapt its support function as it completes the sale of businesses in line with its strategy.** **The Remuneration Committee seeks to ensure rewards are commensurate with performance and aid retention.** **The company will look to strengthen its board with new appointments in the current financial year.**

For more details see
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Section 172 Statement

The Board believes that to maximise value and success in the long term it must engage and consult effectively with all stakeholders in order to develop mutually beneficial relationships with them and to make the best business decisions.

S172 Statement

As required by s172 of the Companies Act 2006, a director of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In so doing, the director must have regards amongst other matters to the:

- Likely consequences of any decision in the long-term
- Interests of the company's employees
- Need to foster the company's business relationships with suppliers, customers and others
- Impact of the company's actions on the community and environment
- Desirability of the company maintaining a reputation for high standards of business conduct
- Need to act fairly between members of the company

Our Stakeholders	Material Topics	How we engage
Employees		
We have very committed and experienced teams running our business. Many of our business are "people businesses" and our employee's interactions with customers and other stakeholders are critical to our success.	• Opportunities for development • Determining the working environment • Opportunities to share ideas and initiatives • Group's financial performance	**Management teams utilise a range of communication protocols, such as company-wide emails and on-site meetings with senior management to ensure effective communication and collaborative working relationships.** **We have an open and collaborative style which ignores hierarchy. Our teams work closely together and therefore build close relationships. There are a lot of opportunities to share ideas and to understand new initiatives informally.**
Shareholders		
As a listed business, we recognise the important role that shareholders play in providing capital, insight into successful strategies, advice on risks to be avoided and in monitoring and safeguarding the governance of the Group.	• Financial and operational performance • Business strategy and model • Market conditions • Capital allocation • Dividend policy	**We are very conscious of the need to actively communicate with shareholders. We achieve this through our AGM, our RNSs, our website and via contact through our advisors. Our Non-Executive Directors are available to meet with shareholders to discuss governance matters.**

Our Stakeholders	Material Topics	How we engage
Banks		
Our banking partners play an important role in our business and help us to take advantage of opportunities. We maintain close and supportive relationships through open communication and mutual understanding.	• Financial and operational performance • Strategy • Market and opportunities • Cash generation	**We maintain regular contact with our banking partners and host meetings to provide updates on our current performance and strategy. We regularly supply financial information and commentary to lenders as required under borrowing agreements.**
Suppliers		
We value our supplier relationships and recognise the contribution they make to the success of each of our businesses. To remain as a provider of a market- leading premium offering that appeals to new and existing customers, it is important that the company fosters mutually beneficial relationships with the best suppliers.	• Group's financial performance • Growth plans • Credit arrangements • Quality control procedures • Collaborative approach to product innovation	**We maintain close relationships and regular communication with our suppliers. The nature of the supply relationships varies across our business, but we maintain a consistent, collaborative approach.**
Regulators		
We recognise the continual push by consumers, society and government for protection through regulation. Regulators clearly have an important role to play in the development of the economy and the property sector. Compliance to high standards is at the core of our values and our focus on respect.	• Compliance with the legislation • Openness and transparency • Lack of relationship between regulators and sector • Capabilities of representative bodies	**We have grown accustomed to reacting to change. We rarely engage directly with Regulators, seeking to rely on our trade bodies to represent us. However, once change is upon us, we seek out advice from Regulators to ensure that we are and remain compliant.**
Community		
We are mindful that our customers and other stakeholders often live in the local communities that we serve and therefore have an interest in ensuring that we operate in a respectful manor and maintain the highest standards across our businesses.	• Involvement in local organisations • Providing valuable local insight to customers • Sponsorship • Compliance with regulations	**Setting out clearly what we do, how we do it and how we support the local community.**

Principal decisions in 2023

We have considered the decisions taken by the Board which will have an impact on the longer term performance and prospects for the Group.

Significant decision

Following ongoing review of the opportunities across its businesses, the board has confirmed its future focus is on Roadside Real Estate. This will include the ongoing commercial property development activity as well as the retention of developments as investment properties.

The group's previous diversification provided elements of value across the group, however, the board believes that there are improved immediate opportunities in the Roadside Real Estate business and has therefore focused group resources to maximise these opportunities.

Reason for decision

The Board believes that the Group's expertise in Real Estate, alongside strong market opportunities to extend its development pipeline and retain investment property assets, will result in excellent returns for stakeholders.

This decision will also ensure there is a clear understanding of RRE's strategic focus and objectives going forward.

Anticipated effects

We believe this will maximise the potential return available to our shareholders.

Progress

RRE has strengthened the teams leading the Real Estate business and has announced further board level appointments will be made in the current financial year.

Progress is also being made to finalise the disposal of other group companies, which is expected to complete soon.

RRE will focus on the exceptional opportunities identified in its Roadside Real Estate business.

Stakeholders affected and engagement

Shareholders.

Assessment of the increased potential to generate shareholder value and returns as a larger diversified group.

Regulators.

Advisors supported the reverse takeover and AIM admission process.

Employees.

Set out our strategic objective and the opportunities this may present.

Banks.

Updated on our strategic decision, future strategy and potential funding. requirements

We are committed to championing sustainable and ethical practices both within our company and with the organisations we engage with.

As RRE grows, we will create expanded policies to ensure clear responsibility and accountability for sustainability. We plan to collaborate with specialists to increase knowledge and validate the impact of our activity.

Packaging and Waste.

A key area of our focus is to eliminate single-use plastic packaging and move to recyclable replacements.

We strive to ensure that production and supply operations minimise both the resources they use and the levels of waste material created.

Sourcing and supply chain.

We consider the sustainability credentials of suppliers before engaging with them.

We invest significant time and resources to ensure the quality of our suppliers, which range from local producers to multi-national manufacturers depending on our business requirements.

Energy and Carbon.

We are working to improve our understanding of the energy we use across the Group. This will enable to us to identify opportunities to reduce usage via innovation, new systems and campaigns.

Our communities.

Our real estate developments focus on making a positive impact to meet the needs of local communities.

Our team.

Our teams are key ingredients in our businesses. We are committed to diversity, inclusion and equality of opportunity, and are making progress on many fronts.

Case study – Electric Vehicle Charging

Electric cars charging is an integral part of the Company's Roadside Real strategy.

There are approximately 1.02m Electric cars on the road in the UK today, as per the RAC foundation, and this is expected to increase to around 9m by 2030.

The under supply of public access fast chargers provides an opportunity for roadside real estate which are perfect charging locations. By incorporating chargers into roadside property assets this boosts footfall, dwell time and rent roll.

We expect electric charging companies to take leases of 20 years or longer for each car parking space with inflation indexed rents. There is relatively low capital expenditure by the landlord so this provides strong returns and an element of future proofing for the assets.

The Strategic Report is approved by the board and signed on its behalf by:

Douglas Benzie
Chief Financial Officer
2 May 2024

Over 1m Electric cars on the road in the UK today

Respected.

The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Group and the interests of its shareholders, customers, suppliers and employees.

Chairman's Introduction to Governance

In this section of our report we have set out our approach to governance and provided further information on how the Board and its Committees operate.

The corporate governance framework which the Group operates, including Board leadership and effectiveness, Board remuneration, and internal control is based upon practices which the Board believes are proportional to the size, risks, complexity and operations of the business and reflective of the Group's values.

"The Board believes that it complies with the principles of The QCA Corporate Governance Code (QCA code)."

Board of Directors.

Jeremy Sparrow resigned from his board role as Non-Executive Director in May 2023.

All other directors and their positions remained consistent during the financial period.

The current Board comprises two executive directors and two non-executive directors as follows:

Charles Dickson (Executive Chairman)

Douglas Benzie (Chief Financial Officer)

Jonathan Warburton (Senior Independent Non-Executive Director)

Matt Wood (Independent Non-Executive Director)

Board of Directors

Charles Dickson

Executive Chairman
(age 41)

Committee membership

N

Charles founded Tarncourt, a specialist Roadside development business, in 2008, which is now part of RRE.

Experience

Charles began his career with Ernst & Young LLP, where he qualified as a Chartered Accountant before moving to work in Corporate Finance with McQueen Limited (now Houlihan Lokey Limited).

He is also a non-executive director of Apache Capital Partners Limited, a London based real estate fund manager with c.£4.5bn AUM.

Douglas Benzie

Group Chief Financial Officer
(age 42)

Committee membership

Doug is an experienced finance leader who has worked extensively in the hospitality industry and in high growth companies.

Experience

Doug joined RRE from Pure, the London-based healthy fast-food chain and a Whitbread Plc backed company, where he was Finance Director for three years.

Prior to this, Doug held the roles of Group Financial Controller and Chief Accountant at Pret A Manger and was part of the team that helped grow Pret before its sale to JAB Holding Company. Doug began his career at EY where he worked for 8 years in the strategic growth markets practice and qualified as a Chartered Accountant.

Committee membership key

A Audit Committee R Remuneration Committee N Nomination Committee ◯ Chair of Committee

Jonathan Warburton

Non-Executive Director
(age 65)

Committee membership

A R N

Jonathan assumed control of the Warburton bakery business in 1991. He first joined the company at the age of 23 after spending time in organisations outside Warburtons to gain insight into the baking industry, as well as experience in sales and marketing experience through his time spent with Unilever.

Experience

He joined the family business as a member of the Sales Team, progressing to National Account Manager and to Sales Director before he set up the Marketing Team. As Marketing Director, he led the development of Warburtons first ever TV advert. In the decade that followed, Jonathan held the role of Commercial Director and joint Managing Director. Since Jonathan became Chairman in 2001, Warburtons has grown from a small, regional business into the second biggest UK grocery brand behind Coca-Cola Plc. Jonathan has also held Non-Executive director positions with AG Barr and Samworth Brothers.

Matthew Wood

Non-Executive Director
(age 50)

Committee membership

A R N

Founder and Managing Director of ONE Advisory, Matt is an experienced non- executive director, having graduated with a First Class honours degree in Economics in 1996 and qualified as a chartered accountant in 1999.

Experience

He subsequently joined the corporate finance department of Beeson Gregory in 2000 where he advised growing companies on transactions including IPOs, secondary fundraisings, M&A and corporate restructuring. Matt also advised corporate clients on the UK regulatory framework including the Listing Rules, the AIM Rules, the Takeover Code and general corporate governance matters. In 2006 he founded ONE Advisory, a London-based corporate advisory group providing its 100+ corporate clients with corporate administration, company secretarial, corporate governance and compliance services, outsourced finance function, IFRS conversions, FPPP preparation and PPA valuations. Matt is a member of RRE's Remuneration and Nomination Committees and is Chair of RRE's Audit Committee.

Corporate Governance Report

How the Board Operates

The Board is responsible for the Group's strategy and for its overall management. The strategic report on pages 1 to 25 summarises the Board's approach to promote sustainable long-term growth and value for shareholders. The responsibilities of the Board include matters relating to:

- The Group's strategic aims and objectives.
- The structure and capital of the Group.
- Financial reporting, financial controls and dividend policy.
- Setting budgets and forecasts.
- Internal control, risk and the Group's risk appetite.
- The approval of significant contracts and expenditure.
- Effective communication with shareholders.
- Any changes to Board membership or structure.
- Oversight of the Executive committee.

Board Meetings

The Board held scheduled meetings during the period.

Board and Committee meetings provide time for collective discussion and decision-making, but informal communication channels also operate to ensure open dialogue and information sharing with the Non-executive Directors continues between meetings.

The Board held a number of unscheduled meetings to discuss specific issues or matters of an urgent nature. In particular, the Board maintained formal and informal communication to discuss the ongoing restructuring of the Group, including disposal of discontinued operations, as well as meetings regarding the funding of RRE's real estate business.

Internal Controls & Risk Management

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. Any such system of internal control can provide reasonable, but not absolute, assurance against material misstatement or loss. However, the Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group.

The principal risks faced by the business are summarised on pages 18 and 19.

The Group has revised its systems strategy to ensure it has appropriate operational and finance systems for a business that is focused on real estate.

The principal elements of the Group's internal control system include:

- management meetings attended by the executive directors and the senior management team from each Group business to discuss strategy as well as day-to-day activities of each business;
- an organisational structure with defined levels of responsibility, which promotes entrepreneurial decision making and agile implementation whilst mitigating risks;
- segregation of duties so no individual can have undue influence or control over an activity, process or transaction;
- a comprehensive annual budgeting process, producing a detailed integrated profit and loss, balance sheet and cash flow, which is approved by the Board;
- detailed monthly reporting of performance; and
- central control over key areas such as capital expenditure authorisation and banking facilities.

The Group continues to review its system of internal control to ensure adherence to best practice, whilst also having regard to its size and the resources available. The Board considers that the introduction of an internal audit function is not appropriate at this juncture, but will keep this under review.

The Board conducts annual reviews of its register of key risks and on a bi-annual basis reviews the risk landscape in detail, including a consideration of risks, likelihood, scale of potential impact and the existence of assurance, mitigation or appropriate contingencies.

Business Culture, Values and Behaviours

Respect is a core value of RRE that is consistently promoted. The RRE culture encourages all employees to take responsibility for their actions and to adopt a "Do the right thing" mindset.

As the group completes its strategic restructuring, the Directors acknowledge that it will take time to build a consistent culture. Our Head of People role retains primary responsibility for the Group's objectives across Culture, Values and Behaviours.

Development

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Group's advisers where appropriate. Executive Directors will be subject to the Group's performance review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs considered. An annual performance appraisal of Non-executive Directors will be undertaken by the Chairman as part of the Board evaluation process, at which time any training or development needs will be addressed.

Board members attend relevant business conferences and briefings to keep their knowledge of industry trends and compliance requirements up to date.

In line with the focus on Real Estate, specific development paths will be followed by relevant directors and senior management.

Conflicts of Interest

At each meeting the Board considers Directors' conflicts of interest. The Group's Articles of Association provide for the Board to authorise any actual or potential conflicts of interest.

External Appointments

As appropriate, the Board may authorise Executive Directors to take Non-Executive positions in other companies and organisations, provided the time commitment does not conflict with the Director's duties to the Group, since such appointments should broaden their experience. The acceptance of appointment to such positions is subject to the approval of the Executive Chairman.

Directors' and Officers' Liability Insurance

The Group has purchased Directors' and Officers' liability insurance during the period as allowed by the Group's articles.

Election of Directors

Details of the Directors of the Group who will offer themselves for re-election at the Annual General Meeting will be included in the Notice of Annual General Meeting and accompanying resolutions.

Relations with Stakeholders

The Group maintains communication with a wide range of stakeholders to ensure that their needs, interests and expectations are understood and reflected within the Group's strategy. Customer feedback is collected directly from customers.

Each business regularly monitors social media and other inbound customer queries and endeavours to respond in a comprehensive and timely manner. We carefully consider our supply chain.

Relations with Shareholders

The Group maintains communication with institutional shareholders through individual meetings with Executive Directors, particularly following publication of the Group's interim and full period results. Private shareholders are encouraged to attend the Annual General Meeting at which the Group's activities are discussed.

General information about the Group is available on the Group's website (www.roadsideplc.com). The Executive Chairman and independent Non-executive Directors will attend meetings with investors and analysts as required. Investor relations activity and a review of the share register are regular items on the Board's agenda.

Annual General Meeting (AGM)

The Notice of Annual General Meeting and the ordinary and special resolutions to be put to the meeting are included in the Notice of AGM accompanying this Annual Report.

Corporate Governance Report (continued)

QCA Code Compliance

Governance Principal	Compliant	Explanation	Further Reading
Deliver Growth			
Establish a strategy and business model to promote long-term value for shareholders.	✓	**The strategy for the Group is determined by the Board. Strategic progress milestones are set and tracked between the Directors and senior management.**	To find out more about our strategy and business model see **pgs4-5**
Seek to understand and meet shareholder needs and expectations.	✓	**Regular meetings are held with investors and analysts and the Board regularly considers how decisions could impact and be received by shareholders. Our AGM provides an opportunity for all shareholders to hear from and meet with our Directors.**	For more information on our relations with shareholders see **pg31**
Take into account wider stakeholder and social responsibilities and their implications for long-term success.	✓	**Wider stakeholder responsibilities are always front of mind. The Board identifies the main stakeholders in the business and regularly discusses how employees, suppliers, customers and others might be affected by decisions and developments in the business. We believe that social responsibilities are not only a responsibility but a requirement to be a successful business.**	Corporate Governance Report and Sustainability Report **pgs30-31**
Embed effective risk management, considering both opportunities and threats, throughout the organisation.	✓	**Both the Board and Audit Committee regularly review risks, including new threats, and the processes to mitigate and contain them. Whilst the Board is responsible for risk, our culture seeks to empower all colleagues to manage risk effectively across all our businesses.**	We have summarised the main risks faced by the business and how they are being managed on **pgs18-19**
Maintain a dynamic management framework			
Maintain the Board as a well-functioning, balanced team led by the Chair.	✓	**Our Board works well together as a team and contains complimentary experience across diverse industries, as well as the required experience in compliance, governance and financial management.**	Our Directors and details of their individual roles, backgrounds and experience are provided on **pgs28-29**
Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.	✓	**We assess the adequacy of the Board's collective skills and experience as part of the annual Board evaluation. Directors' individual development needs will be discussed annually with the Chairman.**	Corporate Governance Report

Governance Principal	Compliant	Explanation	Further Reading
Maintain a dynamic management framework (continued)			
Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.	✓	**An annual Board evaluation will be undertaken to review the Board's effectiveness, track improvements since the previous year and plan additional actions.**	Evaluation will be reviewed by the Nomination Committee.
Promote a corporate culture that is based on ethical values and behaviours.	✓	**Respect is a core value of RRE that is consistently promoted across every business. Our employee's are proud to be part of RRE.**	Corporate Governance Report
Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.	✓	**The Directors recognise the importance of sound corporate governance and have therefore adopted the QCA code to support decision making at board level.**	More detailed information about our governance structures and processes can be found in our corporate governance report
Build Trust			
Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.	✓	**We communicate with a range of stakeholders. Employee concerns and issues are represented by our "Head of People" role, which has overall responsibility for this area. We have maintained good communication and endeavoured to work collaboratively with our suppliers.**	Further information on our dialogue with stakeholders and shareholders can be found on **pg31** and in our corporate governance statement on **pg26** See more information relevant to our wider stakeholders on our website www.roadsideplc.com

Audit Committee Report

The Audit Committee comprises Matt Wood and Jonathan Warburton. Matt Wood is Chairman of the Audit Committee.

The Audit Committee met twice during the financial period and will meet at least three times in each financial year going forward and at any other time when it is appropriate to consider and discuss audit and accounting related issues.

The Audit Committee is responsible for determining the application of the financial reporting and internal control principles, including reviewing the effectiveness of the Group's financial reporting, internal control and risk-management procedures, and the scope, quality and results of the external audit.

The Audit Committee approved the appointment of Crowe UK LLP as auditors to the group. In 2023, the audit partner was rotated and the audit opinion signed by a new audit partner.

Nomination Committee Report

The Nomination Committee comprises Charles Dickson as Chairman, Jonathan Warburton and Matt Wood. The Nomination Committee is responsible for reviewing the structure, size and composition of the board, preparing a description of the role and capabilities required for a particular appointment and identifying and nominating candidates to fill board positions as and when they arise.

The Nomination Committee intends to meet at least twice in each financial year. However, the committee meetings were deferred due to the current change in strategic focus of the group towards Real Estate activity and to ensure future board structure is aligned with this.

Remuneration Committee Report

The Remuneration Committee comprises Jonathan Warburton as Chairman and Matt Wood. The Remuneration Committee reviews the performance of the Executive Directors and sets the scale and structure of their remuneration and the basis of their service agreements with due regards to the interests of Shareholders.

In determining the remuneration of Executive Directors, the Remuneration Committee will seek to enable the Group to attract and retain Executives of the highest calibre. The Remuneration Committee also makes recommendations to the Board concerning the allocation and administration of share options. No Director is permitted to participate in discussions or decisions concerning their own remuneration.

The Remuneration Committee intends to meet at least twice in each financial year. However, the committee meetings were deferred due to the current change in strategic focus of the group towards Real Estate activity and to ensure future remuneration is aligned with this.

Directors Remuneration

	Appointment Date	Resignation Date	Basic Salary and Fees		Benefits		Cash Bonus		Defined Contribution Pension		Total	
	2023	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022	**2023**	2022
Charles Dickson	07/01/2020		309,588.69	103,750.00	5,161.31	–	–	–	–	–	314,750.00	103,750.00
Rupert Fraser *	26/06/2018	28/02/2022	–	80,000.00	–	518.08	–	–	–	–	–	80,518.08
Douglas Benzie	30/09/2020		214,999.95	176,000.00	1,401.30	1,139.76		–	7,977.43	11,402.57	224,378.68	188,542.33
							–	–	–	–		
Jonathan Warburton	07/01/2020		–	–	–	–	–	–	–	–	–	–
Matthew Wood	07/01/2020		–	–	–	–	–	–	–	–	–	–
Jeremy Sparrow **	18/07/2016	14/05/2023	10,000.00	–	–	–	–	–	–	–	10,000.00	–

* Rupert Fraser resigned as a main board director effective from 28 February 2022 and remained an employee of the group until 18 May 2023. The remuneration above relates to his period as a main board director.

** Jeremy Sparrow resigned as a director effective from 14 May 2023 and left the group on that day.

416,667 Restricted Ordinary Shares were issued to Douglas Benzie in relation the completion of two years of service. The shares are subject to an agreement whereby they cannot be sold until four years of service are completed.

No other equity awards were made to any other director in either the current or prior year.

Directors' Report

The Directors present their report together with the audited financial statements for the period ended 30 September 2023.

The corporate governance statement on pages 30 to 33 also forms part of this Directors' report.

Review of Business

The Chairman's statement on pages 6 to 7 and the strategic report on pages 1 to 25 provides a review of the business, the Group's trading for the period ended 30 September 2023, key performance indicators and an indication of future developments.

Result and Dividend

The Group has reported its Consolidated Financial Statements in accordance with UK adopted International Accounting Standards in conformity with the Companies Act 2006. The Group's results for the period are set out in the Statement of profit or loss and other comprehensive income on page 46.

The Company financial statements have been prepared under FRS 101. During the period, the company made the decision to dispose of its subsidiary undertakings, Barkby Pub Co. Ltd, Centurian Automotive Ltd, Cambridge Sleep Sciences Ltd and Workshop Trading Holdings Ltd as well as the pub trading activity included within the parent company.

The Directors are satisfied that these entities meet the definition of Discontinued Operations, therefore there results have been presented in accordance with the requirements for Discontinued Operations.

The Group made revenue from continuing operations of £0.1m in 2023 (2022: £4.3m) as its investment properties completed at the end of the financial period and all other businesses are now presented as discontinued operations.

The Group made a loss from continuing operations of £7.8m (2022: profit of £0.8m). The Group's loss after tax was £10.1m (2022: loss of £9.5m).

The summary financial KPIs are as follows:

Period Ended	**2023**	2022
Revenue (£m)	**£0.1m**	£4.3m
Loss after tax (£m)	**£10.2m**	£9.5m

Please refer to the Operating and Financial Report for further review of trading performance

The Board is not recommending a dividend.

Directors

The Directors of the Group during the period were:

Charles Dickson

Douglas Benzie

Executive

Jonathan Warburton

Matthew Wood

Non-Executive

The names of the Directors, along with their brief biographical details are given on

pg28-29

Directors' Report (continued)

Directors' Interests

Charles Dickson	**33,279,757**
Douglas Benzie	**1,250,000**
Jonathan Warburton	**250,000**

No Director has any beneficial interest in the share capital of any subsidiary undertaking.

The Group purchased and maintained throughout the financial period Directors' and Officers' liability insurance in respect of itself and its Directors.

Political Donations

The Group made no political donations in the financial period.

Disclosure of Information to Auditors

As far as the Directors are aware, there is no relevant audit information (that is, information needed by the Group's auditor in connection with preparing their report) of which the Group's auditor is unaware, and each Director has taken all reasonable steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Financial Instruments

The financial risk management objectives of the Group, including credit risk, interest rate risk and foreign exchange risk, are provided in Note 26 to the Consolidated Financial Statements on pages 75 to 76.

Share Capital Structure

At 30 September 2023, the Company's issued share capital was £1,236,599.91 divided into 143,677,804 ordinary shares of £0.00860675675675676 each.

The holders of ordinary shares are entitled to one vote per share at the general meetings of the Company.

Purchase of Own Shares

There was no purchase of own shares in the period.

Going Concern

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further detail on going concern is on page 54.

Substantial Shareholders

At 30 September 2023, the Company had been notified of the following substantial shareholders comprising of 4% or more of the issued ordinary share capital:

Charles Dickson
23.04%

Davina Dickson
19.99%

James Dickson
10.88%

David Holdsworth
5.11%

Tarncourt Group
4.13%

Post Balance Sheet Events

Tarncourt Facility

Tarncourt facility to extend its expiry to April 2026 and decrease the facility to £7.5m. Tarncourt rolled some of its borrowings into the newly issued loan note after the period end and the remaining drawn amounts were repaid.

Other Loans

Post year end related parties controlled by Charles Dickson have provided additional funding.

Joint Venture

The Group entered a joint venture with Meadow Partners on 31 October 2023 as described on pages 4 to 5. The joint venture provides a source of capital for the acquisition and development of roadside real estate assets.

Loan Note

The group issued £9.0m of loan notes on 22 April 2024. £6.9m of the loan note was used to refinance part of the Tarncourt facility.

Sale of stake in Cambridge Sleep Sciences

RRE agreed to sell part of its investment in CSS representing 10% of CSS's issued share capital for cash consideration of £7.5m.

The sale will complete in May 2024.

The Board considers that no other material post balance sheet events occurred between the end of the period and the date of publication of this report.

Future Developments

The Board intends to continue to pursue the business strategy as outlined in the strategic report on pages 1 to 25.

Stakeholder Involvement Policies

The Directors believe that the involvement of employees, customers and suppliers is an important part of the business culture and contributes to the successes achieved to date (view our sustainability report on pages 24 and 25).

Equal Opportunities

The Group is committed to eliminating discrimination and encouraging diversity. Its aim is that its people will be truly representative of all sections of society and that each person feels respected and is able to perform to the best of their ability. The Group aims for its people to reflect the businesses diverse customer base.

The Group will not make assumptions about a person's ability to carry out their work, for example based on their ethnic origin, gender, sexual orientation, marital status, religion or other philosophical beliefs, age or disability.

Likewise, it won't make general assumptions about capabilities, characteristics and interests of particular groups that may influence the treatment of individuals, the assessment of their abilities and their access to opportunities for training, development and promotion.

Auditor

Crowe U.K. LLP has expressed its willingness to continue in office as auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

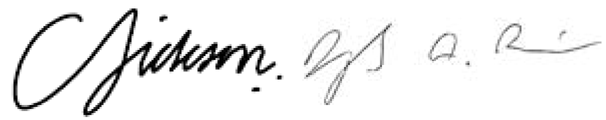
Annual General Meeting

The Annual General Meeting ordinary business comprises receipt of the Directors' report and audited financial statements for the period ended 30 September 2023, the re-election of Directors, the reappointment of Crowe U.K LLP as auditor and authorisation of the Directors to determine the auditor's remuneration.

Notice of the AGM date will be sent to shareholders in May 2024.

Approval

The Directors' Report was approved by the Board of Directors on 2 May 2024 and signed on its behalf by Charles Dickson and Douglas Benzie.



Charles Dickson
Executive Chairman

Douglas Benzie
Chief Financial Officer

2 May 2024

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law and as required by the Alternative Investment Market rules of the London Stock Exchange, the directors have elected to prepare the Group financial statements in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies act 2006 and the Company financial statements in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework".

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 Company 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 judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies act 2006;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Website Publication

The Directors are responsible for ensuring the Annual Report and the Financial Statements are made available on a website. Financial Statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of Financial Statements, which may vary from legislation in other jurisdictions.

The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the on-going integrity of the Financial Statements contained therein.

This report was approved by the board on 2 May 2024 and signed on its behalf by:

Charles Dickson
Executive Chairman

Douglas Benzie
Chief Financial Officer

Independent Auditor's Report

Independent Auditor's Report to the Members of Roadside Real Estate plc.

Opinion

We have audited the financial statements of Roadside Real Estate Plc (formally Barkby Group plc) (the "parent company") and its subsidiaries (the "group") for the period ended 30 September 2023, which comprise:

- the Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 30 September 2023;
- the Consolidated and Company Statements of Financial Position as at 30 September 2023;
- the Consolidated and Company Statements of Changes in Equity for the period then ended;
- The Consolidated Statement of Cash Flows for the period then ended; and
- the notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS101 'Reduced Disclosure Framework' (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 30 September 2023 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 group and the parent 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 as applied to listed entities, 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.

Material uncertainty in relation to going concern

We draw attention to Note 2 in the financial statements. The company's cash flow forecast for the next twelve-month period to May 2025 includes the expected timing and quantum of cashflows arising from the discontinued operations as well as the new group structure, neither of which are certain. In the event that the group is unable to achieve its forecasts it may be dependent on borrowing facilities or additional funding.

This condition, along with other matters set forth in Note 2, indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as going concern. Our conclusion is not modified in respect of this matter.

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. Our evaluation of the director's assessment of the group and company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's assessment of going concern and the underlying financial projections which support that assessment;
- Obtaining and understanding the new business model of the group over the period of assessment;
- Reviewing the assumptions used about future cash flows and timings, including the cessation of discontinued operations and the cash flow implications;
- Confirming the existence of borrowing facilities which will be relied upon;
- Confirming and understanding the post balance sheet events and the impact on the cashflows;
- Testing to ensure the mathematical accuracy of the model presented;
- Challenging the basis of management's estimates and assumptions in relation to profitability and cash flow and available cost mitigations;
- Considering a range of sensitivities to assess reasonably likely changes to key inputs; and
- Reviewing the appropriateness of the disclosures in the financial statements.

Independent Auditor's Report (continued)

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

Overview of our audit approach

We audit the parent company and its subsidiary companies. Our audit approach was developed by obtaining an understanding of the group's activities, the key functions undertaken on behalf of the Board by management and the overall control environment. Based on this understanding we assessed those aspects of the group and subsidiary companies transactions and balances which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error. Specifically, we identified what we considered to be key audit matters and planned our audit approach accordingly.

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

- £370,000 (2022: £170,000) is the group level of materiality determined for the financial statements as a whole, this has been determined based on approximately 4% of the consolidated result for the period. As the group is a diversified trading group we determined that a trading based metric was the most appropriate to use for determining materiality.
- £259,000 (2022: £120,000) is the group level of performance materiality. Performance materiality is used to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.
- £18,500 (2022: £6,000) is the group level of triviality agreed with the Audit Committee. Errors above this threshold are reported to the Audit Committee, errors below this threshold would also be reported to the Audit Committee if, in our opinion as auditor, disclosure was required on qualitative grounds.

The parent company materiality was assessed as £135,000 (2022: £60,000) Parent company performance materiality was £95,000 (2022: £42,000).

Overview of the scope of our audit

We audited all of the significant components of the group, all of which operate in the UK.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to going concern which is described in the Material uncertainty in relation to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit. This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Classification and presentation of discontinued activities in the financial statements *Primary statements. Note 31* On 18 July 2022 the group announced its plans to dispose of certain sections of the business, being Workshop, Cambridge Sleep Sciences and Centurian Automotive. Furthermore, during the period the group disposed of Workshop and a number of its pubs. The group announced that the change in strategy to focus solely on its real estate business. We considered the risk that the classification and presentation of discontinued activities may not be in accordance with IFRS 5 and may not fairly present the performance of the group.	We challenged management on the basis for the presentation adopted. We reviewed evidence in Board minutes, sale agreements, correspondence with potential buyers and corporate advisers for each of the entities in the disposal group. In addition: • We agreed the transfer of the assets and liabilities of the disposal group entities to their respective separate lines on the statement of financial position. • We agreed the assets and liabilities transferred to the audited entity trial balances. • Where disposals have been made in the period, we obtained the disposal documents, agreed the consideration received and the profit and loss on disposal. • We considered the appropriateness of disclosures in the financial statements.
Valuation of investment properties *Note 12* There is a risk that the market value of the properties is below the carrying value held in the accounts. We consider the valuation of properties to be a significant audit risk due to the material level of the property value and the use of judgement inherent in property valuations.	We gained an understanding of the nature of the assets in the portfolio and ensured classification and designation are appropriate and in line with our expectations. We reviewed the stated accounting policy ensuring it is appropriate to the designation and has been applied consistently. We evaluated the capability, suitability and competence of the group's external valuers, giving specific focus to their qualification experience. We reviewed management's assessment of the carrying value of the investment properties which was derived from valuation reports prepared by external surveyors. We carried out procedures, on a sample basis, to satisfy ourselves of the accuracy of the property information supplied by management as these form the basis of the valuation reports. We compared the output from directors to the levels of rents actually achieved and where possible, publicly available benchmark data such as yields. We engaged our own independent property valuation expert to assist with the assessment of key assumptions included in the valuation reports in accordance with ISA (UK) 620 to challenge assessment of the carrying value of investment properties. We considered the adequacy of disclosures around the sensitivity of the carrying value to changes in reasonable alternative assumptions.

Independent Auditor's Report (continued)

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 40, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management, inappropriate revenue recognition and judgement surrounding the investment property valuations. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases corroborating balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under the relevant accounting standards and applicable law.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

Use of our report

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

John Charlton
(Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW

Statement of profit or loss and other comprehensive income

For the period ended 30 September 2023

	Notes	Group Period ended 30 September 2023 £'000s	Period ended 2 July 2022 £'000s
Continuing operations			
Revenue	5	**60**	4,309
Cost of sales	7	**–**	(1,808)
Gross profit		**60**	2,501
Other operating income	6	**78**	–
Administrative expenses	7	**(2,856)**	(2,301)
Movement in fair value of investment property	12	**(2,610)**	1,250
(Loss)/profit from continuing operations before impairment of goodwill		**(5,328)**	1,450
Impairment of goodwill	10	**–**	–
Loss from continuing operations		**(5,328)**	(1,450)
Finance expense	7	**(2,487)**	(708)
Finance income		**–**	55
Loss from continuing operations before tax		**(7,815)**	797
Income tax credit	8	**–**	21
Loss for the year from continuing operations		**(7,815)**	818
Discontinued operations	31		
Loss for the year from discontinued operations		**(2,368)**	(10,332)
Loss and total comprehensive income for the period		**(10,183)**	(9,514)
Loss for the year is attributable to:			
Non-controlling interest		**(142)**	(190)
Owners of Roadside Real Estate Plc		**(10,041)**	(9,324)
		(10,183)	(9,514)
		Pence	Pence
Loss per share for profit attributable to the owners of Roadside Real Estate Plc			
Basic and diluted earnings/(loss) per share from continuing operations	32	**(5.45)**	0.59
Basic and diluted loss per share from discontinued operations	32	**(1.55)**	(7.27)
		(7.00)	(6.68)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

As at 30 September 2023

	Notes	Group 30 September 2023 £'000s	Group 2 July 2022 £'000s
Assets			
Non-current assets			
Property, plant and equipment	9	**30**	2,454
Intangible assets	10	**–**	31
Right-of-use assets	11	**–**	2,539
Investment property	12	**8,700**	4,652
Other non-current assets	14	**–**	83
Total non-current assets		**8,730**	9,759
Current assets			
Inventory	15	**385**	1,883
Trade and other receivables	16	**438**	648
Contract assets	16	**–**	13
Prepayments		**250**	262
Other current assets	16	**62**	39
Cash and cash equivalents	17	**2,045**	33
		3,180	2,878
Assets of disposal groups held for sale	31	**5,000**	5,060
Total current assets		**8,180**	7,938
Total assets		**16,910**	17,697
Liabilities			
Current liabilities			
Trade payables		**(1,269)**	(2,136)
Borrowings	18	**(17,359)**	(4,016)
Lease liabilities	19	**–**	(491)
Other current liabilities	21	**(1,111)**	(5,350)
		(19,739)	(11,993)
Liabilities of disposal groups held for sale	31	**(6,440)**	(7,077)
Total current liabilities		**(26,179)**	(19,070)

	Notes	Group 30 September 2023 £'000s	Group 2 July 2022 £'000s
Non-current liabilities			
Borrowings	18	**(8,597)**	(3,708)
Lease liabilities	19	**–**	(2,571)
Provisions	22	**–**	(48)
Total non-current liabilities		**(8,597)**	(6,327)
Total liabilities		**(34,776)**	(25,397)
Net assets/(liabilities)		**(17,866)**	(7,700)
Equity			
Share capital	23	**1,237**	1,233
Share premium	25	**5,443**	5,430
Merger reserve	25	**(422)**	(422)
Issued equity		**6,258**	6,241
Retained losses	24	**(23,446)**	(14,655)
Fair value reserve	12	**–**	1,250
Equity attributable to the owners of Roadside Real Estate Plc		**(17,188)**	(7,164)
Non-controlling interest	33	**(678)**	(536)
Total equity		**(17,866)**	(7,700)

The above statement of financial position should be read in conjunction with the accompanying notes.

The Financial Statements were approved by the Board of Directors on 2 May 2024 and were signed by Charles Dickson and Douglas Benzie.

Charles Dickson
Executive Chairman

Douglas Benzie
Chief Financial Officer

Statement of financial position

As at 30 September 2023

	Notes	Company 30 September 2023 £'000s	2 July 2022 £'000s
Assets			
Non-current assets			
Property, plant and equipment	9	**30**	1,536
Intangible assets	10	**–**	31
Right-of-use assets	11	**–**	2,539
Investments	13	**–**	21,645
Other non-current assets	14	**–**	83
Total non-current assets		**30**	25,834
Current assets			
Inventory	15	**–**	116
Trade and other receivables	16	**–**	81
Receivable from subsidiary undertaking		**–**	292
Contract assets	16	**–**	13
Other current assets		**–**	57
Prepayments		**246**	222
Cash and cash equivalents	17	**–**	31
		246	812
Assets of operations held for sale		**2,557**	–
Total current assets		**2,803**	812
Total assets		**2,833**	26,646
Liabilities			
Current liabilities			
Trade payables		**(209)**	(1,213)
Borrowings	18	**(2,246)**	(1,024)
Lease liabilities	19	**–**	(491)
Other current liabilities	21	**(466)**	(3,300)
Payable to subsidiary undertaking		**(6,873)**	(1,315)
		(9,794)	(7,343)
Liabilities of operations held for sale		**(2,871)**	–
Total current liabilities		**(12,665)**	(7,343)
Non-current liabilities			
Borrowings	18	**–**	(616)
Lease liabilities	19	**–**	(2,571)
Provisions	22	**(48)**	(48)
Total non-current liabilities		**(48)**	(3,235)
Total liabilities		**(12,713)**	(10,578)
Net assets/(liabilities)		**(9,880)**	16,068
Equity			
Share capital	23	**1,237**	1,233
Share premium	25	**5,443**	5,430
Merger relief reserve	25	**29,747**	29,747
Retained losses	24	**(46,307)**	(20,342)
Total equity		**(9,880)**	16,068

The loss for the period ended 30 September 2023 for the Company was £25,965,000 (Loss for the year ended 2 July 2022: £9,449,000)

The above statement of financial position should be read in conjunction with the accompanying notes.

The Financial Statements of Roadside Real Estate Plc (company number 07139678) were approved by the Board of Directors on 2 May 2024 and were signed by Charles Dickson and Douglas Benzie.

Consolidated statement of changes in equity

For the period ended 30 September 2023

	Share capital £'000s	Share premium £'000s	Merger reserve £'000s	Fair value reserve	Profit and loss reserve £'000s	Non-controlling interest £'000s	Total equity £'000s
Group							
Balance at 1 July 2021	1,179	4,493	(422)	–	(4,219)	(208)	823
Loss after income tax and total comprehensive loss for the year	–	–	–	–	(9,324)	(190)	(9,514)
Transfer to fair value reserve	–	–	–	1,250	(1,250)	–	–
Transactions with owners in their capacity as owners:							
Shares issued to settle deferred and contingent consideration	18	283	–	–	–	–	301
Shares issued to settle liabilities	9	148	–	–	–	–	157
Restricted shares issued	7	126	–	–	–	–	133
Increase in non-controlling interest [(a)]	–	–	–	–	138	(138)	–
Shares issued for cash proceeds	5	95	–	–	–	–	100
Shares issued to cancel interest and debt [(b)]	15	285	–	–	–	–	300
Balance at 2 July 2022	**1,233**	**5,430**	**(422)**	**1,250**	**(14,655)**	**(536)**	**(7,700)**
Loss after income tax and total comprehensive income for the year	–	–	–	–	(10,041)	(142)	(10,183)
Transfer to fair value reserve	–	–	–	(1,250)	1,250	–	–
Restricted shares issued	4	13	–	–	–	–	17
Balance at 30 September 2023	**1,237**	**5,443**	**(422)**	**–**	**(23,446)**	**(678)**	**(17,866)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Notes

(a) The non-controlling interest increased their stake in Cambridge Sleep Sciences Limited from 15% to 25% in the prior year.

(b) Shares issued to cancel debt and interest were issued to Tarncourt Investments LLP.

Statement of changes in equity

For the period ended 30 September 2023

	Share capital £'000s	Share premium £'000s	Merger reserve £'000s	Profit and loss reserve £'000s	Total equity £'000s
Company					
Balance at 1 July 2021	1,179	4,493	29,747	(10,893)	24,526
Loss after income tax and total comprehensive loss for the year	–	–	–	(9,449)	(9,449)
Transactions with owners in their capacity as owners:					
Shares issued to settle deferred and contingent consideration	**18**	**283**	**–**	**–**	**301**
Shares issued to settle liabilities	**9**	**148**	**–**	**–**	**157**
Restricted shares issued	**7**	**126**	**–**	**–**	**133**
Shares issued for cash proceeds	**5**	**95**	**–**	**–**	**100**
Shares issued to cancel debt and interest	**15**	**285**	**–**	**–**	**300**
Balance at 2 July 2022	**1,233**	**5,430**	**29,747**	**(20,342)**	**16,068**
Loss after income tax and total comprehensive income for the year	**–**	**–**	**–**	**(25,965)**	**(25,965)**
Transactions with owners in their capacity as owners:					
Restricted shares issued	**4**	**13**	**–**	**–**	**17**
Balance at 30 September 2023	**1,237**	**5,443**	**29,747**	**(46,307)**	**(9,880)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the period ended 30 September 2023

	Notes	Group Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Cash flows from operating activities			
Loss before tax from continuing operations		**(7,815)**	797
Loss before tax from discontinued operations		**(2,434)**	(10,415)
Loss before tax		**(10,249)**	(9,618)
Adjustments to reconcile loss before tax to net cash flows			
Depreciation of property, plant and equipment and right-of-use assets		**1,081**	789
Amortisation of intangible assets		**198**	169
Impairment of goodwill		**–**	8,037
(Profit)/loss on disposal of property, plant and equipment		**199**	166
Fair value movement in investment property		**2,610**	(1,250)
Finance income		**–**	(55)
Finance expense		**3,257**	1,551
Working capital changes			
Decrease in trade and other receivables, contract assets and prepayments		**386**	91
Decrease/(increase) in inventories		**4,614**	694
Increase/(decrease) in trade and other payables		**(5,503)**	3,374
Total working capital changes		**(503)**	4,159
Interest paid		**(1,533)**	(514)
Interest received		**–**	55
Income tax paid		**66**	(25)
		(1,467)	(484)
Net cash flow from operating activities		**(4,874)**	3,464

	Notes	Group Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Cash flows from investing activities			
Disposal of investments		**–**	1,920
Purchase of investment property		**(6,658)**	(3,402)
Purchase of property, plant and equipment		**(267)**	(1,628)
Purchase of intangible assets		**–**	(38)
Net cash used in investing activities		**(6,925)**	(3,148)
Cash flows from financing activities			
Proceeds from issue of shares		**4**	100
Proceeds from borrowings		**18,597**	9,424
Repayment of borrowings		**(6,165)**	(9,666)
Repayment of lease liabilities		**(617)**	(581)
Net cash raised in financing activities		**11,819**	(723)
Net increase/(decrease) in cash and cash equivalents		**20**	(407)
Cash and cash equivalents at the beginning of the financial period		**(628)**	(221)
Cash and cash equivalents at the end of the financial period		**(608)**	(628)
Cash and cash equivalents of continuing operations at the end of the financial period	17	**(623)**	(617)
Cash and cash equivalents of discontinued operations at the end of the financial period		**15**	(11)

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the financial statements

For the period ended 30 September 2023

Note 1. Company information

The consolidated financial statements of Roadside Real Estate plc for the period ended 30 September 2023 were authorised for issue in accordance with a resolution of the directors on 2 May 2024]. Roadside Real Estate plc is a public limited company incorporated and domiciled in the UK. The company's number is 07139678 and the registered office is located at 115b Innovation Drive, Milton, Abingdon, Oxfordshire OX14 4RZ.

The Group's principal continuing activities consist of real estate investment. During the period ended 30 September 2023, the Group decided to dispose of Barkby Pubs (a pub portfolio) and during the prior year ended 2 July 2022 the Group decided to dispose of Workshop Coffee (a speciality coffee roaster), Centurian Automotive (a premium used car dealership) and Cambridge Sleep Sciences, (owner of SleepHub and SleepEnging) which are therefore shown as discontinued activities in these financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

New or amended UK adopted Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended UK adopted Accounting Standards and Interpretations issued by the International Accounting Standards Board ('IASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. At present, no new or amended Accounting Standards or Interpretations are expected to have an impact on the reported results in the future.

Basis of preparation

These consolidated financial statements of Roadside Real Estate plc (or "the Group") have been prepared in accordance with UK adopted International Accounting Standards.

The Company financial statements have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" ("FRS 101"). The following exemptions from the requirements of IFRS have been applied in the preparation of these Company financial statements, in accordance with FRS 101:

- IFRS 7, "Financial Instruments: Disclosures".
- Paragraphs 91 to 99 of IFRS 13, "Fair value measurement" (disclosure of valuation techniques and inputs used for the fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, "Presentation of financial statements" – comparative information in respect of:
  - Paragraph 79(a) (iv) of IAS 1;
  - Paragraph 73(e) of IAS 16 "Property, plant and equipment"; and
  - Paragraph 118(e) of IAS 38, "Intangible assets" (reconciliations between the carrying amounts of the beginning and end of the period).
- The following paragraphs of IAS 1, "Presentation of financial statements":
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for a minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - (cash flow statement information); and
  - 134-136 (capital management disclosures).
- IAS 7, "Statement of cash flows".
- Paragraphs 30 and 31 of IAS 8, "Accounting policies, changes in accounting estimates and errors".
- The requirements in IAS 24, "Related party disclosures" to disclose related party transactions entered into between two or more members of the group.

Accounting periods

The financial statements have been prepared covering the financial period ended 30 September 2023. The financial period is an extended 15 month period, and in accordance with the Group's policy of drawing up financial statements to the nearest Saturday, consists of a 65 week period ending on 30 September 2023 (2022: 52 weeks and 2 days ending on 2 July 2022). The change to a September year end was to align year ends for all subsidiaries. The Group's consolidated financial statements cover the financial period from 3 July 2022 to 30 September 2023. Therefore, the current and prior periods presented are not comparable.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for certain assets and liabilities that are held at fair value and are detailed in the Group 's accounting policies. The consolidated financial statements are presented in Pounds Sterling, which is Roadside Real Estate plc's functional and presentation currency and all values are rounded to the nearest thousand (£'000s) unless otherwise stated.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Roadside Real Estate plc ('company' or 'parent entity') as at 30 September 2023 and the results of all subsidiaries for the period then ended. Roadside Real Estate plc and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and recognized gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognized directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Group. Losses incurred by the Group are only attributed to the non-controlling interest to the extent to which they can be recovered from those parties.

Discontinued operations

The Group classifies discontinued operations within a disposal group held for sale if their carrying values will be recovered principally through a sale transaction rather than through their continuing use. Disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of a disposal group, excluding finance costs and income tax expense. The criteria for classifying a disposal group as held for sale is regarding as having been met only when a sale is highly probable and the disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be reversed. Management must be committed to the plan to sell the asset and the sale is expected to be completed within one year from the date of classification.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

A disposal group qualifies as discontinued operations of it is a component of an entity that either has been disposed of, or is classified as held for sale and:

- Represents a separate major line of business
- Is part of a single co-ordinated plan to dispose of a separate major line of business.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss and comprehensive income. All other notes to the financial statements include amounts for continuing operations unless otherwise stated.

Following decisions of the Board, the Group issued a Trading and Strategy update announcing that the Board had resolved to sell the Barkby Pubs, Cambridge Sleep Sciences and Centurian Automotive businesses. The Group has therefore committed to a plan to sell Barkby Pubs and Cambridge Sleep Sciences, which are available for immediate sale and programmes to locate buyers for each business have been initiated. The directors expect to sell the businesses within the next financial year ended 30 September 2024.

Centurian Automotive wound down its operations during the year, with some final vehicle stock held at 30 September 2023, which was all sold by the date of signing the accounts. The Group will therefore retain the subsidiary entity and on this basis the assets and liabilities of Centurian Automotive Ltd have been retained within the continuing operations lines of the Statement of Financial Position. The trading result for the period was presented within discontinued operations.

In addition, the comparative information in the statement of profit or loss and total comprehensive income has been re-presented to show these businesses as discontinued for the year ended 2 July 2022.

Going Concern

Following a re-assessment of strategic focus and opportunities, RRE's strategy is now focused on its Real Estate business, which it believes will generate the best returns in the long term. This decision significantly reduces the cash investment previously required for the growth of Cambridge Sleep Sciences, and the cash outflows experienced by Centurian Automotive, Workshop Coffee and Barkby Pubs.

RRE has retained its completed property developments located at Wellingborough and Maldon. The focus is now on building a Roadside Real Estate portfolio held in a JV with Meadow Partners. This ensures available capital for deployment and will provide a reliable and recurring cash flow from development and management fees going forward.

Despite significant progress being made, the disposal of the discontinued operations has not yet completed, therefore the board has prepared a profitability and cash flow forecast to May 2025 that includes all group companies and reflects a severe but plausible downturn scenario. We expect all discontinued operations to be fully disposed of by the end of the current financial year.

Key considerations of the severe but plausible worst case scenario are as follows:

Real Estate

At the point of signing, our commercial developments at Maldon and Wellingborough are completed and fully occupied by tenants under long term leases with blue chip occupiers. This provides strong certainty of future cash flow.

On 31 October 2023, the Group announced the formation of a joint venture with Meadow Partners LLP, to acquire and develop a portfolio of UK-based Roadside Real Estate assets.

Meadow is a real estate private equity manager based in New York and London with US$6.2 billion gross assets under management. Meadow specialises in middle market real estate transactions across all sub-sectors and risk profiles. The joint venture will focus on acquiring sites where it can offer consumers a mix of Drive Thru, Foodvenience, Local Logistics and Trade Counter businesses alongside opportunities to increase EV charging facilities.

The joint venture intends to create a modern roadside portfolio worth over £250 million over a 30 month investment period through acquisition, asset management and development, including opportunities across the portfolio for electric vehicle charging infrastructure.

The joint venture has a prospective Roadside Real Estate investment pipeline in excess of £150 million as more stock comes to the market and additional approaches are being made to the Company by vendors. Tenant demand for these sites is strong, attracting high-quality nationwide operators, underpinning reliable, long term income streams.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

The pipeline includes a site in Stoke which is currently owned by Meadow, which the joint venture may consider as an initial joint venture acquisition.

Barkby Pubs

RRE has discontinued its pubs operations. The directors anticipate the sale to take place within 12 months.

Centurian Automotive

Centurian Automotive activities ceased during the period. A small number of legacy stock vehicles were disposed of after the period end, leaving no remaining stock at the date of signing.

Cambridge Sleep Sciences

Cambridge Sleep Sciences subsidiary is currently held for sale and an active sales process is ongoing with a number of interested parties. RRE anticipates completing a stake sale equivalent to 10% ownership of CSS in May 2024. RRE plans to sell its remaining stake in CSS to maximise shareholder value.

Group overhead

Following the strategic focus on Real Estate and discontinuation of other activities, the Group's central costs will decrease significantly going forward.

Debt and Borrowings

The group currently has the following third party debt:

Tarncourt: The Tarncourt facility is a related party facility owed to a vehicle controlled by the Dickson Family. facility was extended to 1 April 2026 after the period end, with no payments required until that date.

HSBC: The group banks with HSBC across the majority of its companies. The bank has been supportive in providing working capital facilities (overdraft and CBIL) to meet the company's requirements. The HSBC overdraft and CBIL was repaid in full post year end, and the cash flow forecast does not depend on any further funding from HSBC.

Together: The group has borrowing facilities with a specialist lender called Together used to finance the commercial property developments at Maldon and Wellingborough. The facilities were extended after the period end to March 2025 with only interest payable until the redemption date.

Other facilities: There are a number of smaller legacy borrowings in place within the group subsidiaries. The cash flow forecast assumes these facilities are repaid in accordance with their contractual terms.

Centurian stocking finance: Centurian utilises short term stocking finance facilities secured against specific vehicles. As the final vehicles are disposed of, this facility is expected to be repaid and no further funding drawn.

Prior to completion of the CSS stake sale the Group had net cash available of approximately £0.2m as at 1st May 2024 and an additional £2.0m available under the Tarncourt facility.

Summary

RRE is in the final stages of its strategic restructuring, which will result in its focus being solely on Real Estate. RRE aims to retain its commercial property developments, providing a reliable source of recurring income and cash flow, as well as high quality investment property assets with equity value that can be unlocked via sale if needed. Based on its profitability and cash flow forecasts that incorporate assumptions that reflect a severe but plausible downturn scenario the directors consider going concern basis of preparation to be an appropriate basis for the preparation of these financial statements.

However the Directors have identified uncertainties in the assessment that principally relate to:

- The timing of the disposal/cessation of the remaining pub businesses
- The timing and quantum of the cash flows relating to CSS
- The timing of refinancing of senior debt facility

If the cash flow receipts above are below expectations or are delayed there exists a material uncertainty which may cast doubt over the ability of the group to continue as a going concern.

Management have identified activities that mitigate the risk being:

i) Sale of the remaining interest in CSS

ii) Utilising the headroom in the Tarncourt facility

Notwithstanding the material uncertainty identified the Directors have concluded the going concern basis of preparation to be appropriate. The financial statements do not include any adjustments which could arise in the event the group was not a going concern.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Foreign currency translation

Foreign currency transactions are translated into Pounds Sterling using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Revenue recognition

The Group recognises revenue as follows:

Property business – Revenue from contracts with customers

Real estate revenue principally consists of the development and ultimately the sale of real estate sites. Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects changes to specifications required by customers and any other contingent events. Such estimates are determined using either the ‘expected value’ or ‘most likely amount’ method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved.

Income tax

The income tax expense or benefit for the period is the tax payable on that period’s taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, cash in transit, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Trade and other receivables

Trade receivables are initially recognised at fair value transaction price and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either:

(i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Investments in subsidiaries which are held at cost less impairment

Investments in subsidiary companies are initially recognised at cost and reviewed for indicators of impairment. Impairment charges are recognised when the recoverable amount of the investment is less than its carrying value.

Property, plant and equipment

Plant, property and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Investment property

Investment properties are properties which the Group owns, does not occupy for its own use and are held for either long term rental yields, or capital appreciation, or both. Investment properties also include property that is being developed or constructed for future use as investment property by the Group.

Investment properties comprise freehold land and buildings and are measured at fair value.

At the end of a financial period the fair value are determine by a range of valuation techniques, including independent valuations prepared in accordance with the current edition of the Appraisal and Valuation Standards published by the Royal Institution of Chartered Surveyors and valuations prepared based on the discounted future net cash inflows the site is expected to generate in its forecast use, taking into account the current status of the site and the expected costs to complete the development. These fair value based on these development appraisals, therefore reflects current market conditions, future rental income (where lease agreements have been contractual agreed) and the residual value of site after taking into account the costs and revenue from the development of the property.

There are a number of significant assumptions in these development appraisal valuations and a change in these assumptions could result in a significant change in the fair value of investment properties and therefore have a material effect on the Group's results.

A transfer to the fair value reserve is made for all fair value gains in the period from retained earnings. Where there have been previous fair value gains transferred to the fair value reserve and fair value losses have been incurred in the year then a transfer is made to retained earnings to offset as much of the fair value losses as possible.

At each subsequent reporting date, investment properties are re-measured to their fair value. Movements in fair value are included in the income statement.

Development properties

Development properties are valued at the lower of cost and net realisable value. Cost includes the costs of purchasing the property and the costs of developing the property to its current condition. When the property has been transferred from investment property, cost includes the fair value of the property at the point it is transferred to development as its deemed cost. Net realisable value reflects the estimated selling price of the property less the costs to complete the development and sell the property. Upon completion of development, the property is transferred to investment portfolio at which point it is measured at fair value based on external valuations in line with RICS methodology.

A transfer from the fair value reserve to retained earnings is made if any net realisable value provision is required on any development property where gains had previously been recorded as an investment property.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Product design and development

Research costs are expensed in the period in which they are incurred. Development costs, including product design costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Group is able to use or sell the asset; the Group has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Patents, trademarks and other intellectual property

Significant costs associated with patents, trademarks and the acquisition of other intellectual property licenses are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in- use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial period and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Provisions

Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre- tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution pension contributions

Contributions to defined contribution pension plans are expensed in the period in which they are incurred.

Share based employee benefits

Employee benefits that will be or have been settled by the issuance of shares are accounted for in accordance with IFRS 2, and are described in the accounting policy for Share based payments below.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued equity

Issued equity consists of the Company's share capital, share premium and capital redemption reserve, together with the other equity reserve in Group's consolidated financial statements. Ordinary shares are classified as equity.

The difference between the nominal value of the shares issued and the actual value relating to the specific transaction is accounted for as share premium, unless:

1. The Company is issuing shares to acquire the share capital of another company, in which case as long as the shares issued represent greater than 90% of the consideration, the excess of the value of the shares issued over their nominal value is recorded in the merger reserve, or
2. The Group is undertaking a reverse takeover, in which case the excess of the value of the share issued over their nominal value is recorded in the other equity reserve.

The other equity reserve reflects the accounting required by the reverse takeover transactions such that the issued equity at the point of transaction equals the equity of the Dickson Controlled Entities plus that notional consideration for the acquisition of Barkby Group. Pre-acquisition, the other reserve adjusts the Company's equity to that of the Dickson Controlled Entities.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividends are recognised when declared during the financial period and no longer at the discretion of the company.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Where the business combination is achieved in stages, the Group remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non- controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition- date, but only after a reassessment of the identification and measurement of the net assets acquired, the non- controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition- date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Value-Added Tax ('VAT') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

Rounding of amounts

Amounts in this report have been rounded off to the nearest thousand Pounds Sterling, or in certain cases, the nearest Pound Sterling.

Notes to the financial statements (continued)

30 September 2023

Note 2. Significant accounting policies (continued)

New Accounting Standards and Interpretations not yet mandatory or early adopted

Accounting Standards that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 September 2023. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Presentation of discontinued operations

At the previous financial period end (2 July 2022) the group had determined that the assets and liabilities of its Life sciences business (Cambridge Sleep Sciences), its Coffee business (Workshop Coffee) and its automotive business (Centurian) would be realised through a sale transaction and that sale transaction was highly probably. At 30 September 2023 the group revisited this judgement on the basis a sale transaction had not yet occurred for Centurian and for Cambridge Sleep Sciences.

Centurian

During the period to 30 September 2023 negotiations regarding the sale of Centurian to the management of the company changed so that a pure sale was not undertaken but instead the trade of Centurian would be wound down and taken over by the management of Centurian in a separate vehicle. This process was largely complete at the 30 September 2023 with the last remaining assets and liabilities being settled or expected to settle post period end. On the basis the assets and liabilities are being settled during the normal course of business and not through a sale transaction they have been transferred out of assets and liabilities held for sale. The group continue to consider the operations should be presented as discontinued on the basis the operation had substantially all been wound down by 30 September 2023.

Cambridge Sleep Sciences

At 2 July 2022 the group had engaged with a Corporate finance firm and had a number of interested buyers under non-disclosure agreements and therefore considered the a sale transaction was highly probable. During the period the business made encouraging process on licensing streams and strengthened its pipeline moving the valuation of the business and causing existing negotiations to cease . Subsequent to the period the group has agreed to dispose of some of its shareholding in CSS, equivalent to 10% of CSS's total issued share capital. The group continues to seek a sale transaction to maximise shareholder value and therefore continue to present the business as discontinued and the assets and liabilities held for sale. The group consider an alternative presentation would be misleading and dilute the focus of the financial statements from the Group's core strategic focus going forward, Roadside Real Estate as disclosed in the Business review.

Additional developments in 2023 – Barkby Pubs

During the period to 30 September 2023, as part of the shift of the Group's strategic focus to Roadside Real Estate the group ceased operations at three of its pubs, two lease surrenders and one disposal. Since the period end two further leases were surrendered and the remaining four are in advanced negotiations to be surrendered. On this basis the group has determined that operations relating to its pubs business should be presented as discontinued and the assets and liabilities as held for sale as they would materially be settled through negotiations in transferring the lease.

Investments in Subsidiaries

The Group tests annually, or more frequently if events or changes in circumstances indicate that the parent company's investments in subsidiaries have suffered any impairment, in accordance with the accounting policy stated in note 2. The impairment assessment is detailed in note 2.

Notes to the financial statements (continued)

30 September 2023

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Estimation of fair value of investment properties

The fair value of investment property reflects, amongst other things, assumptions about rental income from future leases and the possible outcome of planning applications in consideration of current market conditions. Where fair value is based on their ultimate redevelopment potential, the valuation has been arrived at based on development appraisals undertaken to estimate the residual value of the landholding after due regard to the cost of, and revenue from, the development of the property.

The Directors' values reported are based on significant assumptions and a change in fair values could have a material impact on the Group's results. This is due to the sensitivity of fair value to the assumptions made as regards to variances in development costs compared to management`s own estimates.

Investment properties are disclosed in note 3.

Note 4. Operating segment

Identification of reportable operating segments

Following the decision during the period to dispose of Barkby pubs, there is now only one identified operating segment, which is Real Estate. Therefore no separate operating segments are disclosed. Details of discontinued operating activities are provided in note 31.

Note 5. Revenue

From continuing operations

	Group	
	2023 £'000s	2022 £'000s
Revenue from contracts with customers		
Sale of real estate property	**–**	4,309
Rental income	**60**	–
Revenue	**60**	4,309

Note 6. Other income

From continuing operations

	Group	
	2023 £'000s	2022 £'000s
Compensation	**78**	–
Other income	**78**	Nil

Compensation

Other income is compensation received in relation to underperformance of a supply contract.

Notes to the financial statements (continued)

30 September 2023

Note 7. Expenses

	Group 2023 £'000s	2022 £'000s
Profit before income tax includes the following specific expenses:		
Cost of sales		
Property cost of sales - purchases	**-**	1,808
	-	1,808
Administration expenses		
Employee costs	**987**	795
Professional fees	**418**	336
Depreciation and amortisation (see below)	**5**	-
Other administrative costs	**1,451**	1,170
	2,856	2,301
Finance costs		
Interest and finance charges paid/payable on borrowings	**2,487**	708
Pension expense		
Defined contribution pension contributions	**37**	37
Employee costs		
Wages and salaries	**798**	700
Social security costs	**111**	53
Other employee related costs	**41**	19
Pensions costs	**37**	23
	987	795

	2023	2022
Employee costs are charged to both Cost of sales and Administration expenses as follows:		
Employee costs within administration expenses	**987**	795
	987	795
Employee numbers		
The group employed the following numbers of people on average during the financial period		
Employees (including discontinued operations)	**199**	162

Auditor's Remuneration

	2023	2022
Fees for auditing these accounts	**72**	43
Fees for auditing the financial statements of the Group's other subsidiaries	**128**	77
	200	120

Notes to the financial statements (continued)

30 September 2023

Note 8. Income tax expense

	Group	
	2023 £'000s	2022 £'000s
Income tax expense		
UK corporation tax charge	**–**	–
Adjustment recognised for prior periods	**(66)**	(104)
Aggregate income tax expense	**(66)**	(104)
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	**(10,183)**	(9,618)
Tax credit at the statutory tax rate of 21.4% (2022: 19%)	**(2,179)**	(1,826)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Goodwill impairment non-deductible for tax purposes	**–**	1,527
Expenses non-deductible for tax purpose	**88**	115
Deferred tax asset not recognised	**1,642**	184
Adjustment recognised for prior periods	**(66)**	(104)
Gains not taxable	**(192)**	–
Impairment of investment	**641**	–
Change to income tax (expense)/credit	**(66)**	(104)
Income tax credit from continuing operations	**–**	(21)
Income tax credit from discontinuing operations	**(66)**	(83)

Deferred tax assets totalling £5,338,000 relating to tax losses have not been recognised at 30 September 2023 (£4,308,000 at 2 July 2022).

Notes to the financial statements (continued)

30 September 2023

Note 9. Non-current assets – property, plant and equipment

Group	Land and buildings £'000s	Leasehold improvements £'000s	Plant and equipment £'000s	Computer equipment £'000s	Fixtures and fittings £'000s	Motor Vehicles	Total £'000s
Group							
Cost							
Balance at 1 July 2021	672	949	913	285	915	–	3,734
Additions in year	1,154	135	103	23	213	–	1,628
Disposals in year	–	(485)	–	–	–	–	(485)
Reclassification to assets of disposal group held for resale		(505)	(628)	(135)	(303)	–	(1,571)
Balance at 2 July 2022	1,826	94	388	173	825	–	3,306
Additions in period	–	–	–	–	–	35	35
Disposals in period	–	–	–	(2)	–	–	(2)
Reclassification to assets of disposal group held for resale	(1,826)	(94)	(388)	(171)	(825)	–	(3,304)
Balance at 30 September 2023	**–**	**–**	**–**	**–**	**–**	**35**	**35**
Accumulated depreciation							
Balance at 1 July 2021	(6)	(675)	(698)	(188)	(683)	–	(2,250)
Charge for the period	(3)	(57)	(107)	(59)	(101)	–	(327)
Disposals in period	–	319	–	–	–	–	319
Reclassification to assets of disposal group held for resale	–	411	591	127	277	–	1,406
Balance at 2 July 2022	(9)	(2)	(214)	(120)	(507)	–	(852)
Charge for the period	–	–	–	–	–	(5)	(5)
Disposal in period	–	–	–	2	–	–	2
Reclassification to assets of disposal group held for resale	9	2	214	118	507	–	850
Balance at 30 September 2023	–	–	–	–	–	(5)	(5)
Net Book Value							
At 2 July 2022	1,817	92	174	53	318	–	2,454
At 30 September 2023	**–**	**–**	**–**	**–**	**–**	**30**	**30**

Notes to the financial statements (continued)

30 September 2023

Note 9. Non-current assets – property, plant and equipment (continued)

The Property, plant and equipment owned by Cambridge Sleep Sciences, Workshop Coffee and Centurian Automotive was reclassified as held for sale in the prior financial year. The Property, plant and equipment owned by Barkby Pubs was reclassified as held for sale in the current financial period.

	Land and buildings £'000s	Leasehold improvements £'000s	Plant and equipment £'000s	Computer equipment £'000s	Fixtures and fittings £'000s	Motor Vehicles	Total £'000s
Company							
Cost							
Balance at 2 July 2022	909	94	388	171	821	–	2,383
Additions in year	–	–	–	–	–	35	35
Reclassification to assets of disposal group held for resale	(909)	(94)	(388)	(171)	(821)	-	(2,383)
Balance at 30 September 2023	–	–	–	–	–	35	35
Accumulated depreciation							
Balance at 2 July 2022	(9)	(2)	(214)	(119)	(503)	–	(847)
Charge for the year	–	–	–	–	–	(5)	(5)
Reclassification to assets of disposal group held for resale	9	2	214	119	503	-	847
Balance at 30 September 2023	–	–	–	–	–	(5)	(5)
Net Book Value							
At 2 July 2022	901	92	174	52	318	–	1,536
At 30 September 2023	–	–	–	–	–	30	30

Notes to the financial statements (continued)

30 September 2023

Note 10. Non-current assets – intangibles

Group	Computer software £'000s
Cost	
Balance at 1 July 2021	110
Additions during the period	27
Reclassification to assets of disposal group held for sale	(63)
Balance at 2 July 2022	74
Reclassification to assets of disposal group held for sale	(74)
Balance at 30 September 2023	–
Accumulated amortisation and impairments	
Balance at 1 July 2021	(36)
Charge for the period	(36)
Reclassification to assets of disposal group held for sale	29
Balance at 2 July 2022	(43)
Reclassification to assets of disposal group held for sale	43
Balance at 30 September 2023	–
Net book value	
At 2 July 2022	31
At 30 September 2023	–

The Company previously carried a goodwill balance that related to Barkby Pubs and Centurian Automotive Ltd. The Goodwill balance was fully impaired in the prior year. Both Barkby Pubs and Centurian Automotive Ltd are discontinued operations.

Note 11. Non-current assets – right-of-use assets

Group	Pubs £'000s
Right of use assets - cost	
Balance at 1 July 2021	3,564
New leases	42
Adjustments to leases	(32)
Balance at 2 July 2022	3,574
Reclassification to assets of disposal group held for sale	(3,574)
Balance at 30 September 2023	–
Accumulated depreciation	
Balance at 1 July 2021	(690)
Charge for the year	(345)
Balance at 2 July 2022	(1,035)
Reclassification to assets of disposal group held for sale	1,035
Balance at 30 September 2023	–
Net Book Value	
At 2 July 2022	2,539
At 30 September 2023	–

Notes to the financial statements (continued)

30 September 2023

Note 12. Non-current assets – investment property

Investment property consists of the initial acquisition of the Wellingborough and Maldon property development sites followed by their revaluation to fair value. The Group's Investment properties are all major completed investment portfolio properties, which were reclassified from Major Developments during the period.

The fair value of investment properties decreased by £2,610k in the period. This is predominantly due to the increase in base rate and market interest rates, which had a direct impact on yields and valuations across the UK commercial property landscape.

	Consolidated	
	2023 £'000s	2022 £'000s
Opening balance	**4,652**	–
Acquisitions	**6,658**	3,402
Fair value movements	**(2,610)**	1,250
Closing balance	**8,700**	4,652

Group	Investment Portfolio £'000s	Major Developments £'000s	Total £'000s
Cost			
Balance at 1 July 2021	–	–	–
Additions in year	–	3,402	3,402
Fair value movements	–	1,250	1,250
Balance at 2 July 2022	–	4,652	4,652
Additions in period	–	6,658	6,658
Transfers between classifications	11,310	(11,310)	–
Fair value movements	(2,610)	–	(2,610)
Balance at 30 September 2023	8,700	–	8,700

Investment property consists of the initial acquisition of the Wellingborough and Maldon property development sites followed by their revaluation to fair value.

Valuation Process

The Directors' valuations are based on what is determined to be the highest and best use and professional guidance is utilised where appropriate. When considering the highest we consider the properties actual and potential uses which are physically, legally and financially viable. Where the highest and best use differs from the existing use, then we consider the cost and the likelihood of achieving and implementing this change in arriving at its valuation. In the current period, the Group's investment properties have been valued by an independent professional valuer in accordance with approved RICS methodology.

Valuation techniques underlying management's estimation of fair value are as follows:

Major developments

Major development sites are generally valued using residual development appraisals, a form of discounted cash flow which estimates the current site value from future cash flows measured by current land and/or completed built development values, observable or estimated development costs, and observable or estimated development returns.

The discounted cash flows utilise gross development value, which takes account of the future expectations of sales over time, less costs, as at today's value, to complete remediation and provide the necessary site infrastructure to bring the site forward. Sales prices, build costs and profit margins are considered to be significant unobservable inputs for sites valued using residual development appraisals and details of these are provided below:

	2022			
	Market Value £'000	**Sales price per sq. ft**	**Build cost per sq. ft**	**Profit margin %**
Investment Properties				**–**
- Major Developments	**4,652**	**£385 – £431**	**£181 – £199**	**15%**

Investment Portfolio

The investment portfolio is valued in accordance with an independent third party valuation provided by a professional valuer in accordance with RICS methodology.

Notes to the financial statements (continued)

30 September 2023

Note 12. Non-current assets – investment property (continued)

All other factors being equal, a higher land value reflecting future expectations on sales would lead to an increase in the valuation of an asset, an increase in costs would lead to a decrease in the valuation of an asset. However, there are inter-relationships between the significant unobservable inputs which are partially determined by market conditions, which would impact on these changes.

The table below sets out a sensitivity analysis for the key sources of estimation uncertainty with the resulting increase/(decrease) in the fair value of Major Development investment properties at 30 September 2023.

The investment properties located at Wellingborough and Maldon were completed during the period therefore their fair value as at 30 September 2023 was determined by an independent third party valuation provided by a professional valuer in accordance with RICS methodology.

	Decrease in Sensitivity Value £'000	Decrease in Sensitivity Value £'000
Change in sales price of 5%	181	–
Change in build cost of 5%	199	15%

	Decrease in Sensitivity Value £'000	Decrease in Sensitivity Value £'000
Change in net income by 5%	181	–
Change in portfolio net initial yield by 50 basis points	199	15%

Note 13. Non-current assets – investments

	30 September 2023 £'000s	2 July 2022 £'000s
Opening balance	**21,645**	26,159
Acquisitions of share capital in subsidiary undertakings:	**–**	–
Barkby Pub Co Limited	**–**	–
Roadside Asset Management Limited	**–**	–
Impairment	**(21,645)**	(4,781)
	–	21,645

During the year ended 2 July 2022, the Company subscribed for £100 of share capital as part of the set up a new subsidiary, Barkby Pub Co Limited.

During the period ended 30 September 2023, the Company subscribed for £100 of share capital as part of the set up a new subsidiary, Roadside Real Estate Manager Limited.

The Company has tested its investments in subsidiaries following a review for indicators of impairment at 30 September 2023. Following the strategic review and the decision to dispose of certain businesses, the Company has impaired its investment in the share capital of its subsidiaries, writing down the value of investments in subsidiaries by £21,645,000 (2022: £4,781,000). The impairment in Barkby Real Estate is due to the change in business model whereby future developments and investment properties will be funded and held within the joint venture. The Company's investment in the share capital of Workshop Trading Holdings Limited was sold during the period and had been fully impaired in a previous period.

Note 14. Other non-current assets

	30 September 2023 £'000s	2 July 2022 £'000s
Lease and contract deposits	**–**	83

The deposits are held by the lessors of the leased pubs therefore are now presented as discontinued operations.

Notes to the financial statements (continued)

30 September 2023

Note 15. Current assets – inventories

	Group	
	30 September 2023 £'000s	2 July 2022 £'000s
Food, drink and other raw materials	**–**	116
Property development work in progress	**169**	1,767
Motor vehicles	**216**	–
	385	1,883

	Company	
	30 September 2023 £'000s	2 July 2022 £'000s
Food, drink and other raw materials	**–**	116

Note 16. Current assets – trade and other current assets

	Group	
	30 September 2023 £'000s	2 July 2022 £'000s
Trade receivables	**438**	11
Other receivable - sale of loan note	**–**	637
Contract assets	**–**	13
VAT recoverable	**–**	17
Other current assets	**62**	22
	500	700

Note – there are no Company balances for Trade and other current assets

Note 17. Current assets – cash and cash equivalents

	Group	
	30 September 2023 £'000s	3 July 2022 £'000s
Cash at bank	**2,045**	2
Cash in transit	**–**	28
Petty cash	**–**	3
	2,045	33
Reconciliation to cash and cash equivalents at the end of the financial period		
The above figures are reconciled to cash and cash equivalents at the end of the financial period as shown in the statement of cash flows as follows:		
Balances as above	**2,045**	33
Bank overdraft (note 18)	**(2,668)**	(650)
Balance as per statement of cash flows	**(623)**	(617)

	Company	
	30 September 2023 £'000s	3 July 2022 £'000s
Cash in transit	**–**	28
Petty cash	**–**	3
	–	31

Notes to the financial statements (continued)

30 September 2023

Note 18. Borrowings

	Group					
	30 September 2023			2 July 2022		
	Current £'000s	Non-current £'000s	Total £'000s	Current £'000s	Non-current £'000s	Total £'000s
Bank overdrafts	**2,668**	**–**	**2,668**	650	–	650
Bank loans	**7,736**	**–**	**7,736**	364	616	980
Other loans	**6,500**	**–**	**6,500**	3,002	–	3,002
Loans from related parties	**455**	**8,596**	**9,051**	–	3,092	3,092
	17,359	**8,596**	**25,955**	4,016	3,708	7,724

	Company					
	30 September 2023			2 July 2022		
	Current £'000s	Non-current £'000s	Total £'000s	Current £'000s	Non-current £'000s	Total £'000s
Bank overdrafts	**1,999**	**–**	**1,999**	650	–	650
Bank loans	**247**	**–**	**247**	364	616	980
Other loans	**–**	**–**	**–**	10	–	10
	2,246	**–**	**2,246**	1,024	616	1,640

Refer to note 26 for further information on financial instruments.

Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	Group	
	30 September 2023 £'000s	1 July 2022 £'000s
Bank overdraft	**2,796**	705
Vehicle finance and associated loans	**770**	3,668
Bank loans	**8,411**	980
Other loans	**9,005**	2,032
Loans from related parties	**9,048**	3,092
	30,030	10,477

Notes to the financial statements (continued)

30 September 2023

Note 18. Borrowings (continued)

Assets pledged as security

The bank overdraft and loans are secured by charges over the Group's assets.

Vehicle finance and associated loans are secured against the Group's vehicle inventory, with each facility being linked to a specific vehicle or vehicles.

Certain other loans are secured on either one of the Group's real estate development properties or specific assets.

One of the loans from related parties is secured on one of the Group's real estate development properties.

Financing arrangements

The Group has access to a term loan facility with Tarncourt Properties Ltd, a related party. The facility was refinanced during the year to £12.0 million (2022: £5.0 million). The facility bears interest at 3.5% above base rate (previous facility: 3.5%). After the period end, the facility was extended to April 2026. As at March 2024, the group had drawn £9.5m and therefore had unused financing available of £2.5m.

Note 19. Lease liabilities

	Group and Company					
	30 September 2023			2 July 2022		
	Current £'000s	Non-current £'000s	Total £'000s	Current £'000s	Non-current £'000s	Total £'000s
Lease liabilities	–	–	–	491	2,571	3,062
	–	–	–	491	2,571	3,062

Refer to note 26 for further information on financial instruments.

Note 20. Current liabilities – income tax

	Group	
	30 September 2023 £'000s	2 July 2022 £'000s
Provision for Corporation Tax	–	–

Note 21. Current liabilities – other

	Group	
	30 September 2023 £'000s	2 July 2022 £'000s
Accruals	863	1,667
Tax and social security payable	114	1,871
Pension contributions payable	–	9
Retentions	129	8
Deferred consideration	–	75
Customer deposits	–	123
Other payables	5	1,597
	1,111	5,350

	Company	
	30 September 2023 £'000s	2 July 2022 £'000s
Accruals	191	865
Tax and social security payable	114	1,865
Pension contributions payable	–	9
Deferred consideration	–	75
Customer deposits	–	123
Other payables	161	363
	466	3,300

Deferred consideration of £25,000 (2 July 2022: £75,000) is due to previous shareholders of Tarncourt Ambit Limited.

The liability was partially settled during the year with a cash payment of £50,000.

Notes to the financial statements (continued)

30 September 2023

Note 22. Non-current liabilities - provisions

	Group	
	30 September 2023 £'000s	2 July 2022 £'000s
Dilapidations provisions	**–**	48

Dilapidations provisions

The provision represents the present value of the estimated costs to make good the Pub premises leased by the Group (and Company) at the end of the respective lease terms.

Movements in provisions

Movements in each class of provision during the current financial period (and previous financial year) are set out below:

	Group	
	30 September 2023 £'000s	2 July 2022 £'000s
Group and Company		
Carrying amount at 2 July 2022 (1 July 2021)	**48**	48
Reclassification to liabilities of disposal group held for resale	**(48)**	–
Carrying amount at 30 September 2023 (2 July 2022)	**–**	48

Note 23. Equity – issued capital

	Group and Company			
	30 September 2023 Shares	2 July 2022 Shares	**30 September 2023 £'000s**	2 July 2022 £'000s
New ordinary shares - fully paid (£0.00860675675675676 per share)	**143,677,804**	143,261,138	**1,237**	1,233

Note 24. Equity – retained losses

	Group	
	2023 £'000s	2022 £'000s
Retained loss at the beginning of the period/year	**(14,655)**	(4,219)
Loss after income tax expense for the period/year attributable to shareholders of the Company	**(10,041)**	(9,324)
Transfer to Fair value reserve	**1,250**	(1,250)
Increase in non-controlling interest	**–**	138
Retained losses at the end of the financial period/year	**(23,445)**	(14,655)

	Company	
	2023 £'000s	2022 £'000s
Retained loss at the beginning of the financial period	**(20,342)**	(10,893)
Loss after income tax expense for the period	**(25,965)**	(9,449)
Retained losses at the end of the financial period	**(46,307)**	(20,342)

Increase in non-controlling interest

During the prior year ended 2 July 2022 Cambridge Sleep Sciences Limited increased it's non-controlling interest from 15% to 25%.

Transfer to fair value reserve

The revaluation reserve relates to the revaluation of the Group's investment properties to their fair value.

Notes to the financial statements (continued)

30 September 2023

Note 25. Equity – other reserves

	Note	Group Share premium £'000s	Merger reserve £'000s
Balance at 1 July 2021		4,493	(422)
Shares issued to settle deferred consideration	23	283	–
Restricted shares issued	23	126	–
Shares issued for fees and liabilities	23	148	–
Shares issued for cash proceeds	23	95	–
Shares issued to settle interest and debt	23	285	–
Opening balance at 2 July 2022		5,430	(422)
Restricted shares issued	23	13	–
Closing balance at 30 September 2023		**5,443**	**(422)**

	Note	Company Share premium £'000s	Merger reserve relief £'000s
Balance at 1 July 2021		4,493	29,747
Shares issued to settle deferred consideration	23	283	–
Restricted shares issued	23	126	–
Shares issued for fees and liabilities	23	148	–
Shares issued for cash proceeds	23	95	–
Shares issued to settle interest and debt	23	285	–
Opening balance at 2 July 2022		5,430	29,747
Restricted shares issued	23	13	–
Closing balance at 30 September 2023		**5,443**	**29,747**

Share premium (Group and Company)

The movements reflect the excess of the transaction value over the nominal value of the share capital issued for the transactions detailed in note 23.

Merger reserve (Group)

The merger reserve arose as a result of the business combination of the Dickson Controlled entities and the Barkby Group in January 2020. There has been no movement in the balance in either financial period.

Merger relief reserve (Company)

The merger reserve arose as a result of the shares the company issued in order to acquire the equity of the Dickson Controlled entities as part of the January 2020 business combination. There has been no movement in the balance in either financial period.

Note 26. Financial instruments

Financial risk management objectives

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

During the period and in the prior financial year Workshop Coffee was exposed to foreign currency risk and on occasion entered foreign exchange contracts. Workshop coffee was sold during the period, therefore the group does not have any ongoing exposure to foreign currency risk.

Notes to the financial statements (continued)

30 September 2023

Note 26. Financial instruments (continued)

Price risk

The Group is not exposed to any significant price risk.

Interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value risk. The Group's policy is to maintain a range of borrowings appropriate for the individual businesses. For example, Centurian relies on specific trade finance that is secured on the value of its vehicle inventory.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has no concentration of credit risk exposure.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

Unused borrowing facilities at the reporting date are shown in note 18.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Notes to the financial statements (continued)

30 September 2023

Note 26. Financial instruments (continued)

	Weighted average interest rate %	1 year or less £'000s	Between 1 and 2 years £'000s	Between 2 and 5 years £'000s	Over 5 years £'000s	Remaining contractual maturities £'000s
Group - 2023						
Non-interest bearing						
Trade payables	–	1,269	–	–	–	1,269
Other payables	–	5	–	–	–	5
Loans from related parties	–	–	1,229	–	–	1,229
Other loans	–	200	–	–	–	200
Interest bearing – variable						
Bank overdraft	4.0	2,668	–	–	–	2,668
Loans from related parties	8.3	–	7,367	–	–	7,367
Interest-bearing – fixed rate						
Other loans	15.7	6,300	–	–	–	6,300
Bank loans	8.8	7,736	–	–	–	7,736
Loans from related parties	6.0	455	–	–	–	455
Total		**18,633**	**8,596**	**–**	**–**	**27,229**

Notes to the financial statements (continued)

30 September 2023

Note 26. Financial instruments (continued)

	Weighted average interest rate %	1 year or less £'000s	Between 1 and 2 years £'000s	Between 2 and 5 years £'000s	Over 5 years £'000s	Remaining contractual maturities £'000s
Group – 2022						
Non-interest bearing						
Trade payables	–	2,136	–	–	–	2,136
Other payables	–	1,606	–	–	–	1,606
Loans from related parties	–	–	42	–	–	42
Interest bearing – variable						
Bank overdraft	4.0	650	–	–	–	650
Bank loans	3.9	364	616	–	–	980
Interest-bearing – fixed rate						
Vehicle finance	–	–	–	–	–	–
Other loans	9.0	3,002	–	–	–	3,002
Lease liabilities	5.4	505	514	1,395	1,508	3,922
Loans from related parties	3.5	–	3,050	–	–	3,050
Total		8,263	4,222	1,395	1,508	15,388

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Notes to the financial statements (continued)

30 September 2023

Note 27. Movements in borrowings in the period

Group	Balance at 2 July 2022 £'000s	Proceeds of borrowings £'000s	Non-cash movements £'000s	Repayments £'000s	Reclassification to liabilities of disposal groups £'000s	Balance at 30 September 2023 £'000s
	Movement in period ended 30 September 2023					
Overdrafts	**650**	**352**	**–**	**997**	**669**	**2,668**
Bank loans	**980**	**7,400**	**602**	**(1,246)**	**–**	**7,736**
Other loans	**3,002**	**5,200**	**884**	**(2,681)**	**95**	**6,500**
Loans from related parties	**3,092**	**5,997**	**1**	**(39)**	**–**	**9,051**
Leases	**3,062**	**–**	**–**	**–**	**(3,062)**	**–**
Total borrowings and lease liabilities	**10,786**	**18,948**	**1,487**	**(2,969)**	**(2,298)**	**25,955**
Reported as						
Current liabilities	**4,507**					**17,359**
Non-current liabilities	**6,279**					**8,596**
Total borrowings and lease liabilities	**10,786**					**25,955**

	Balance at 1 July 2021 £'000s	Proceeds of borrowings £'000s	Non-cash movements £'000s	Repayments £'000s	Reclassification to liabilities of disposal groups £'000s	Balance at 1 July 2022 £'000s
	Movement in period ended 2 July 2022					
Overdrafts	305	400	–	–	(55)	650
Bank loans	1,309	–	–	(329)	–	980
Vehicle finance	3,899	5,993	–	(6,224)	(3,668)	–
Other loans	2,129	3,027	–	(2,119)	(35)	3,002
Loans from related parties	4,405	404	–	(994)	(723)	3,092
Leases	3,469	–	884	(581)	(710)	3,062
Total borrowings and lease liabilities	15,516	9,824	884	(10,247)	(5,191)	10,786
Reported as						
Current liabilities	7,926					4,507
Non-current liabilities	7,590					6,279
Total borrowings and lease liabilities	15,516					10,786

Notes to the financial statements (continued)

30 September 2023

Note 28. Directors' remuneration

Compensation

The aggregate compensation made to directors of the Group is set out below:

	Group 2023 £'000s	Group 2022 £'000s
Salaries	**535**	360
Cash bonus	**–**	–
Contributions to defined contribution pensions	**8**	11
Other benefits	**6**	2
	549	373

The highest paid director received total remuneration of £315,000 in the period ended 30 September 2023 (£189,000 for the period ended 2 July 2022).

The Directors are considered to be the only key management personnel of the group.

Note 29. Commitments

Capital commitments

There were no capital commitments at either 30 September 2023 or 1 July 2021.

Note 30. Related party transactions

Parent entity

Roadside Real Estate Plc is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 33.

Key management personnel

Disclosures relating to key management personnel are set out in note 28.

Transactions with related parties

The following transactions occurred with related parties:

	Group 2023 £'000s	Group 2022 £'000s
Sales of cars to related parties	**–**	125
Recovery of costs from related parties	**–**	26
Sale of investment in Verso Biosense Ltd	**–**	2,592
Sale of Workshop Coffee	**480**	–
Purchases of services from related parties	**293**	–

The related party transactions were with significant shareholders, with the exception of the sales of cars which were to a significant shareholder who is also a Director of the group.

Workshop Coffee was sold to Coffee Ventures Ltd, a company controlled by members of the Dickson family.

The sale proceeds were paid via loan assignment of £180,000 and deferred consideration of £300,000 settled after the year end.

Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Group 2023 £'000s	Group 2022 £'000s
Current receivables:		
Trade receivables due from related parties	**–**	8
Other receivables due from related parties	**300**	617
Current payables:		
Trade payables due to related parties	**339**	–

Notes to the financial statements (continued)

30 September 2023

Loans from related parties

The following loan balances are outstanding at the reporting date in relation to related parties:

	Group 2023 £'000s	2022 £'000s
Loans from related parties		
Current liabilities:		
Interest bearing loans	**455**	–
Non-current liabilities:		
Non-interest bearing loans	**1,229**	47
Interest bearing loans	**7,367**	3,570

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 31. Discontinued operations

The following financial information relates to the four operations discontinued by the Group in the period ended 30 September 2023.

The results of Cambridge Sleep Sciences, Centurian Automotive, Workshop Coffee and Barkby Pubs for the period are presented below:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Revenue	**16,079**	15,186
Cost of Goods sold	**(12,466)**	(11,895)
Gross profit	**3,613**	3,291
Administrative expenses	**(6,651)**	(4,735)
Other income including profit on sale of Workshop Coffee	**1,374**	75
Impairment of property, plant and equipment	**–**	(8,203)
Operating loss from discontinued operations	**(1,664)**	(9,572)
Net finance costs	**(770)**	(843)
Loss for the year before taxation from discontinued operations	**(2,434)**	(10,415)
Tax credit	**66**	83
Loss for the year after taxation from discontinued operations	**(2,368)**	(10,332)

The assets and liabilities of Centurian Automotive are not presented as held for sale as at 30 September 2023. The major classes of assets and liabilities of Cambridge Sleep Sciences and Barkby Pubs are discontinued operations classified as held for sale, and are as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Assets		
Property, plant and equipment	**1,879**	167
Right-of-use assets	**2,277**	646
Intangible assets	**133**	300
Other non-current assets	**86**	3
Inventory	**403**	3,519
Trade and other receivables	**129**	269
Prepayments	**78**	86
Other current assets	**–**	26
Cash and cash equivalents	**15**	44
Assets of disposal group held for sale	**5,000**	5,060
Liabilities		
Trade payables	**(832)**	(986)
Borrowings	**(1,479)**	(4,481)
Other current liabilities	**(1,436)**	(914)
Lease liabilities	**(2,693)**	(697)
Liabilities of disposal group held for sale	**(6,440)**	(7,078)
Net assets/(liabilities)	**(1,440)**	(2,018)

The net cash flows of the discontinued operations were as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Net cash flows from operating activities	**(3,166)**	(646)
Net cash flow from investing activities	**4,084**	(11)
Net cash flow from financing activities	**(946)**	210
Net cash in/(out) flow	**(29)**	(447)

Notes to the financial statements (continued)

30 September 2023

Note 31. Discontinued operations (continued)

The results of the Cambridge Sleep Sciences operations for the period are presented below:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022£'000s
Revenue	**13**	196
Cost of Goods sold	**(39)**	(175)
Gross profit	**(26)**	21
Administrative expenses	**(452)**	(729)
Other income	**–**	(36)
Operating loss from discontinued operations	**(478)**	(744)
Net finance costs	**(18)**	(104)
Loss for the year before taxation from discontinued operations	**(496)**	(848)
Tax credit	**66**	88
Loss for the year after taxation from discontinued operations	**(430)**	(760)

The major classes of assets and liabilities of Cambridge Sleep Sciences classified as held for sale as at 30 September 2023 are as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Assets		
Property, plant and equipment	**–**	12
Intangible assets	**133**	240
Inventory	**325**	359
Trade and other receivables	**–**	132
Prepayments	**2**	5
Cash and cash equivalents	**–**	1
Assets of disposal group held for sale	**460**	749
Liabilities		
Trade payables	**(173)**	(235)
Borrowings	**(338)**	(178)
Other current liabilities	**(174)**	(155)
Liabilities of disposal group held for sale	**(685)**	(568)
Net assets/(liabilities)	**(225)**	181

The net cash flows of the Cambridge Sleep Sciences operations were as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Net cash flows from operating activities	**(161)**	(646)
Net cash flow from investing activities	**–**	(11)
Net cash flow from financing activities	**160**	210
Net cash in/(out) flow	**(1)**	(447)

Notes to the financial statements (continued)

30 September 2023

Note 31. Discontinued operations (continued)

The results of the Centurian Automotive operations for the period are presented below:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Revenue	**6,085**	7,494
Cost of Goods sold	**(6,004)**	(6,873)
Gross profit	**81**	621
Administrative expenses	**(499)**	(891)
Other income	**–**	8
Impairment of goodwill	**–**	(1,741)
Operating loss from discontinued operations	**(418)**	(2,003)
Net finance costs	**(444)**	(360)
Loss for the year before taxation from discontinued operations	**(862)**	(2,363)
Tax (charge)/credit	**–**	–
Loss for the year after taxation from discontinued operations	**-862**	(2,363)

Centurian Automotive was wound down during the period and the legal entity retained by the Group.

Therefore, the remaining assets and liabilties of Centurian Automotive have been presented within the relevant asset and liability lines of the Group for the period ended 30 September 2023. In the prior year, they were presented as discontinued assets and liabilities held for sale.

The net cash flows of the Centurian Automotive operations were as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Net cash flows from operating activities	**(862)**	(646)
Net cash flow from investing activities	**–**	(11)
Net cash flow from financing activities	**862**	210
Net cash in/(out) flow	**–**	(447)

Notes to the financial statements (continued)

30 September 2023

Note 31. Discontinued operations (continued)

The results of the Workshop Coffee operations for the period are presented below:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Revenue	**1,915**	1,507
Cost of Goods sold	**(1,318)**	(809)
Gross profit	**597**	698
Administrative expenses	**(1,186)**	(1,234)
Other income	**-**	20
Impairment of property, plant and equipment	**-**	(166)
Operating loss from discontinued operations	**(589)**	(682)
Net finance costs	**(16)**	(98)
Loss for the year before taxation from discontinued operations	**(605)**	(780)
Tax (charge)/credit	**-**	(5)
Loss for the year after taxation from discontinued operations	**(605)**	(785)
Profit on sale of discontinued operation	**1,374**	-
Profit for the year after disposal proceeds and taxation from discontinued operations	**769**	(785)

The major classes of assets and liabilities of Workshop Coffee classified as held for sale as at 30 September 2023 are as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Assets		
Property, plant and equipment	**-**	116
Intangible assets	**-**	60
Right-of-use assets	**-**	646
Other non-current assets	**-**	3
Inventory	**-**	147
Trade and other receivables	**-**	113
Prepayments	**-**	48
Other current assets	**-**	26
Cash and cash equivalents	**-**	43
Assets of disposal group held for sale	**-**	1,202
Liabilities		
Trade payables	**-**	(597)
Borrowings	**-**	(426)
Lease liabilities	**-**	(697)
Other current liabilities	**-**	(574)
Liabilities of disposal group held for sale	**-**	(2,294)
Net assets/(liabilities)	**-**	(1,092)

The net cash flows of the Workshop Coffee operations were as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Net cash flows from operating activities	**(589)**	(293)
Net cash flow from investing activities	**1,374**	(93)
Net cash flow from financing activities	**(828)**	(93)
Net cash in/(out) flow	**(43)**	(479)

Notes to the financial statements (continued)

30 September 2023

Note 31. Discontinued operations (continued)

The results of the Barkby Pubs operations for the period are presented below:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Revenue	**8,066**	5,989
Cost of Goods sold	**(5,106)**	(4,038)
Gross profit	**2,960**	1,951
Administrative expenses	**(4,514)**	(1,881)
Other income	**–**	83
Operating loss from discontinued operations	**(1,554)**	153
Impairment of property, plant and equipment	**–**	(6,296)
Net finance costs	**(292)**	(281)
Loss for the year before taxation from discontinued operations	**(1,846)**	(6,424)
Tax (charge)/credit	**–**	–
Loss for the year after taxation from discontinued operations	**(1,846)**	(6,424)

The major classes of assets and liabilities of Barkby Pubs classified as held for sale as at 30 September 2023 are as follows:

	Period ended 30 September 2023 £'000s
Assets	
Property, plant and equipment	**1,879**
Right-of-use assets	**2,277**
Other non-current assets	**86**
Inventory	**79**
Trade and other receivables	**129**
Prepayments	**76**
Cash and cash equivalents	**15**
Assets of disposal group held for sale	**4,541**
Liabilities	
Trade payables	**(659)**
Borrowings	**(1,141)**
Other current liabilities	**(1,262)**
Lease liabilities	**(2,693)**
Liabilities of disposal group held for sale	**(5,755)**
Net assets/(liabilities)	**(1,214)**

The net cash flows of the Barkby Pubs operations were as follows:

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Net cash flows from operating activities	**(1,554)**	(646)
Net cash flow from investing activities	**2,710**	(11)
Net cash flow from financing activities	**(1,141)**	210
Net cash in/(out) flow	**15**	(447)

Reconciliation to Loss for the period from discontinued operations

	Period ended 30 September 2023 £'000s	Year ended 2 July 2022 £'000s
Loss for the year		
Cambridge Sleep Sciences operations	**(430)**	(760)
Centurian Automotive operations	**(862)**	(2,363)
Workshop Coffee operations	**(605)**	(785)
Workshop Coffee sale	**1,374**	–
Barkby Pubs operations	**(1,846)**	–
Loss for the year from discontinued operations	**(2,369)**	(3,908)

Notes to the financial statements (continued)

30 September 2023

Note 32. Loss per share

	Consolidated 2023 £'000s	2022 £'000s
Earnings per share for profit (all from continuing operations)		
Loss after income tax from continuing operations	**(7,815)**	818
Loss after income tax from discontinued operations	**(2,368)**	(10,332)
Loss after income tax	**(10,183)**	(9,514)
Non-controlling interest (discontinued operations)	**142**	190
Profit/(loss) after income tax from continuing operations attributable to the owners of Roadside Real Estate Plc (Basic and diluted calculations)	**(7,815)**	818
Loss after income tax from continuing operations attributable to the owners of Roadside Real Estate Plc (Basic and diluted calculations)	**(2,226)**	(10,142)
Total loss after income tax attributable to the owners of Roadside Real Estate Plc	**(10,041)**	(9,324)

	pence	pence
Basic loss per share from continuing operations	**(5.45)**	0.59
Basic loss per share from discontinued operations	**(1.55)**	(7.27)
	(7.00)	(6.68)

	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	**143,390,543**	139,525,311

Notes to the financial statements (continued)

30 September 2023

Note 33. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly- owned subsidiaries in accordance with the accounting policy described in note 2:

		Ownership interest	
Name	**Principal place of business and Country of incorporation**	**30 September 2023 %**	2 July 2022 %
Roadside Real Estate Limited	United Kingdom	**100%**	100%
Roadside Real Estate Developments Limited	United Kingdom	**100%**	100%
Roadside Asset Management Limited	United Kingdom	**100%**	0%
Workshop Trading Holdings Limited	United Kingdom	**–**	100%
Workshop Trading (London) Limited	United Kingdom	**–**	100%
Centurian Automotive Limited	United Kingdom	**100%**	100%
Barkby Pub Co Limited	United Kingdom	**100%**	100%

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly- owned subsidiaries in accordance with the accounting policy described in note 2:

		Parent		Non-controlling interest	
Name	**Principal place of business and Country of incorporation**	**Ownership interest 30 Sept 23 %**	Ownership interest 2 Jul 22 %	**Ownership interest 30 Sept 23 %**	Ownership interest 2 Jul 22 %
Cambridge Sleep Sciences Limited	United Kingdom	**75%**	75%	**25%**	25%
Roadside Asset Management Limited	United Kingdom	**100%**	–	**–**	–

Notes to the financial statements (continued)

30 September 2023

Note 33. Interests in subsidiaries (continued)

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interests that are material to the Group are set out below:

	30 September 2023 £'000s	1 July 2022 £'000s
Summarised statement of financial position		
Current assets	**173**	545
Non-current assets	**133**	252
Total assets	**306**	709
Current liabilities	**(3,011)**	(475)
Net liabilities	**(2,705)**	(2,146)
Summarised statement of profit or loss and other comprehensive income		
Start-up expense	**–**	(181)
Other (net expenses)	**(496)**	(667)
Loss before income tax expense	**(496)**	(848)
Income tax credit	**75**	88
Loss after income tax expense and total comprehensive loss for the period	**(421)**	(760)
Statement of cash flows		
Net cash from operating activities	**(231)**	(646)
Net cash used in investing activities	**–**	(11)
Net cash used in financing activities	**69**	210
Net increase/(decrease) in cash and cash equivalents	**(162)**	(447)
Other financial information		
Loss attributable to non-controlling interests	**(105)**	(190)
Accumulated non-controlling interests at the end of reporting period	**(316)**	(536)

The assets and liabilities presented above are included within the assets and liabilities of disposal groups held for sale because Cambridge Sleep Sciences is presented as a discontinued operation. The loss for the year presented above is included within discontinued operations in the statement of profit of loss and other comprehensive income.

Notes to the financial statements (continued)

30 September 2023

Note 34. Post Balance Sheet Events

Tarncourt Facility

Following the issue of the loan note described below, £8.6m of the Tarncourt facility was rolled into the loan note issue. The remaining facility was repaid and a new facility was put in place providing funds of up to £7.5m until expiry on 30 April 2026.

Loan Note

The group issued a loan note on 27 March 2024 for the value of £10m. The loan note carries a rolled up interest rate of 14% and is repayable on 31 March 2026. £8.6m of the existing Tarncourt facility, including accrued interest, was rolled into the loan note.

Other Loans

Post year end related parties controlled by Charles Dickson have provided additional funding.

Sale of stake in Cambridge Sleep Sciences

RRE previously agreed to sell 952 ordinary shares in CSS on 20 March 2024, representing 10% of CSS's issued share capital. The Group has now agreed to sell 1,000 shares at £7,500.00 per share, reducing RRE's ownership from 75% to 61.4% and increasing the total cash consideration to £7.5m. The Group can confirm that the £7.5m consideration has been received and is on account. The transaction will complete on 3 May 2024.

Joint Venture with Meadow Partners

RRE formed a joint venture with Meadow Partners in October 2023. The purpose of the JV is to acquire and develop a portfolio of UK-based Roadside Real Estate assets and enable RRE to implement a fully funded strategy to institutionalise a new asset class within the real estate sector. RRE will initially fund and own 3% of the joint venture investments. Further information on the joint venture is provided in the Strategic Report.

Change of Name

The parent company and group changed its name from Barkby Group Plc to Roadside Real Estate Plc in January 2024.

The board considers that no other material post balance sheet events occurred between the end of the period and the date of publication of this report.

Note 35. Operating Leases

The future aggregate minimum lease payments due to the Group under non-cancellable operating leases are as follows:

	2023 £'000s	2022 £'000s
Expiring later than five years	**2,654**	–

Operating leases relate to investment properties owned by the Group, which are let to commercial tenants.

The annual receivable amount under operating leases is as follows:

	2023 £'000s	2022 £'000s
Expiring later than five years	**213**	–

Shareholder Information

2 July 2023

Senior personnel, committees, banks, advisers and others

Directors

Charles Dickson
Executive Chairman

Douglas Benzie
Chief Financial Officer

Jonathan Warburton
Non-executive and senior independent

Matthew Wood
Independent Non-executive

Company Secretary

Douglas Benzie

Audit Committee

Jonathan Warburton

Matthew Wood

Remuneration Committee

Jonathan Warburton

Matthew Wood

Nomination Committee

Charles Dickson

Jonathan Warburton

Matthew Wood

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Solicitors

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Shareholder information

Registrar

The company's registrar is Share Registrars Limited. They can be contacted at 3 The Millennium Centre, Crosby Way, Farnham, GU9 7XX. Their telephone no. is 01252 821390.

Queries

If a shareholder has any questions about their shareholding or if they require other guidance (e.g. to notify a change of address or to give instructions for dividends to be paid directly into a bank account), please contact Share Registrars Limited (see above).

Registered office and company number
115b Innovation Drive
Milton
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England
OX14 4RZ

Registered number: 07139678

Further information please visit
www.roadsideplc.com

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