

Company Registration No. 10010176 (England and Wales)

**FOXWAY CIRCULAR UK LTD (FORMERLY
GLOBAL RESALE, LTD)**

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2023**

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

COMPANY INFORMATION

Directors	C Farrell C M H Backman E A U Odelind
Company number	10010176
Registered office	4 Bradbury Park Bradbury Drive Braintree Essex CM7 2DH
Auditor	RSM UK Audit LLP Chartered Accountants Third Floor Priory Place New London Road Chelmsford CM2 0PP

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present the strategic report for the accounts of Foxway Circular UK Ltd (formerly Global Resale, Ltd) for the year ended 31 December 2023.

On 3 November 2023, the company changed its names from 'Global Resale, Ltd' to 'Foxway Circular UK Ltd'.

Fair review of the business

The 2023 results reflect a year of financial and strategic success with material EBITDA growth £5,008,631 (2022: £1,441,744) coupled with a substantial investment into the wider Foxway Group by a leading private equity investor, Nordic Capital.

The transition to Nordic Capital as our new majority owner has provided robust support for accelerating our growth and expanding geographically. The incumbent investor, Norvester, has also chosen to reinvest as a minority shareholder as they also share our vision for growth combined with a clear focus on sustainability delivered through our unique circular business model.

Our commitment to the circular tech concept remains our key success factor. The signals from the market, our customers, and partners affirm that we are on the right path—the circular way.

Throughout 2023 we maintained the strong relationships we have established with a wide base of customers and supply partners enabling us to continue working on a global level. We are delighted that we have continued to maintain exceptionally strong links with our non UK customers and 81% of our turnover was driven by exports (2022: 82%).

In the year ended 31 December 2023, Foxway Circular UK's revenue decreased by 6% to £103,154,765 (2022: £109,837,281) but its gross profit rose by 4% to £14,378,819 (2022: £13,781,984). The gross profit margin percentage increased to 13.94% (2022: 12.55%) and was driven by our ongoing commitment to deepening and developing our partnerships within the Computing and Enterprise sectors.

Administrative expenses, excluding the exceptional costs recorded during 2022 in connection with the sales process, rose by 5.3% to £9,662,603 (2022: £9,180,320). This increase was driven mainly by headcount and remuneration growth and reflects our investment in recruiting and retaining the right people to make our business successful. Average employee numbers rose to 127 during 2023 (2022: 111).

The business has continued to be self-financing with no requirement for loans nor credit facilities. We closed the trading year with over £11.6m cash at bank (2022: £6.7m) with both debtors and creditors operating within their credit terms. There were no material investments into building, plant or machinery during the year and administrative expenses growth was around 5% all of which has supported Net Working Capital growth. In light of the strong performance during 2023 and the available reserves the Directors have recommended that a dividend payment be made and a distribution of £1.5m has been made dated February 2024.

Principal risks and uncertainties

Foreign exchange risk

As the business operates within a multi-currency environment there is a risk that the fair value of a financial instrument or future cash flows will fluctuate in line with changes to exchange rates which may adversely affect the company's financial results. The business tries to minimise foreign exchange risk by offsetting income received in foreign currency with purchases made in the same currency. The business operates mainly in three currencies: GBP, USD and Euros. The Group reporting currency is SEK.

Key performance indicators

The principal KPIs for the business include gross profit, EBITDA and headcount. These KPIs have been referenced earlier in the report.

Working capital indicators are also reviewed regularly specifically the liquidity using the current ratio, Debtor Days Outstanding, Creditor Days and Inventory Turnover.

Liquidity has increased to 2.04 in 2023 (2022: 1.75) and net current assets have increased by £3.77m and once again the company closed the year with a very strong cash at bank position.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Debtor days outstanding have remained stable at 21.33 (2022: 20.14) whilst creditor days have decreased slightly to 56.62 (2022: 58.73). This is mainly driven by the earlier discharge of inter-company liabilities offset by existing and new suppliers continuing to offer improved payment credit terms.

Inventory Turnover has decreased to 8.16 (2022: 9.12), this is a reflection of our focus on margin over volume turn.

Future developments

The directors expect the general level of activity to increase in the forthcoming year as the company continues to increase its market share by sourcing competitively priced second user and end of life product and developing its service offering in conjunction with global customers and partners.

There are also substantial opportunities for Foxway Circular UK Ltd within the Foxway Group as we work with other divisions to share best practice and global opportunities and align Foxway Circular UK with the Foxway Group vision of becoming the world's best as-a -service company enabling circular technology.

Section 172 Companies Act Statement

The statements below are designed to address the reporting requirements of the Board under Section 172 of the Companies Act and the Companies (Miscellaneous Reporting) Regulations 2018. The Directors are well aware of their duty under section 172 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so have regard (amongst other matters) to the following areas.

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

Foxway Circular UK Ltd, as part of the Foxway Group which is majority owned by the private equity investor Nordic Capital has a long term growth strategy and as such all significant business decisions consider the short, medium and long-term consequences of each potential course of action as part of the strategic decision making process and with reference to the Value Creation Plan. Monthly leadership calls take place between the senior managers from the UK & other Foxway sites as well as regular calls and on-line meetings with members of the Board, Group Finance, and Sector leaders and VPs.

(b) the interests of the Company's employees

One of the fundamental requirements for sustainable, profitable growth is a talented and committed workforce. Many of Foxway's employees, both in the UK and throughout the Group have had extensive work experience in the Circular IT sector and bring relevant skills and connections to the Group. The workplace is clean and well kept, we've adopted the Living Wage directive and communication between all departments and roles is transparent and informal. The Foxway Group mirrors this approach and the qualities they recruit for and value are curiosity, passion, courage and commitment.

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

As a business we understand the need to foster the Company's business relationships with suppliers, customers and others and to dedicate substantial time, effort and resources to develop and maintain strong relationships from which in turn all stakeholders benefit.

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

The nature of the Company's business is fundamentally low impact to the community and the environment. The core of our business is repairing and reselling second user IT thus significantly extending the lifespan of IT assets which might otherwise have been judged as redundant and sent to landfill. One of the Foxway Group's key missions is to lead the way with ESG (Environmental, Social and Governance) and circular services by offering our partners and customer different services that help them to manage mobile phones, computers and other tech devices in a way that is both cost efficient and sustainable. More details can be found on the Foxway.com website.

(e) the desirability of the Company maintaining a reputation for high standards of business conduct

The Board's intention is to behave responsibly and ethically at all times, in line with our Company values, and to ensure that our management teams operate the business in a responsible manner maintaining a reputation for the highest standards of business conduct and good governance as set out in our report and accounts. As part of our commitment to quality control, accountability and compliance we have been awarded the following certifications; R2, ISO 9001, ISO 14001, ISO 45001 and ISO 27001.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

The Directors have regard to the interests of the Company's employees and shareholders and treat all members of the Company fairly and consistently, as required by both our professional standards and in compliance with HR regulations and recommendations. Decision makers and process owners are known to suppliers and customers. External strategic communications are managed by the Board with internal communications being made via email, Teams Calls, meetings and social events. Strong relationships exist and are encouraged between a wide variety of role holders at all levels within the Group. Foxway host regular all hands Team calls to provide updates on the business outlook and strategy.

On behalf of the board

C Farrell.....

C Farrell (Feb 22, 2024, 2:59pm)

Director

Date: 22 Feb 2024.....

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Principal activities

The principal activity of the company is that of a leading, global provider of aftermarket services and reverse logistics, focused on resale, buyback and dispositions of technology devices.

Results and dividends

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

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

C Farrell
C M H Backman
E A U Odelind

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

RSM UK Audit LLP, Chartered Accountants, have indicated their willingness to continue in office.

Energy and carbon reporting

Streamlined Energy & Carbon Reporting

Following the introduction of the Streamlined Energy and Carbon Reporting framework, the Directors present their report on the performance of Foxway Circular UK Ltd addressing our Annual GHG emissions, as applicable from activities for which the company is responsible, including combustion of fuel and operation of any facility, and the annual emissions from the purchase of electricity, heat, steam or cooling by the company for its own use.

Quantification and reporting methodology

We are an ISO14001:2015 certified business and have followed the UK Government Conversion Factors for greenhouse gas (GHG) reporting including streamlined energy and carbon reporting and greenhouse gas reporting guidance March 2019 and Measuring and reporting environmental impacts guidance for businesses. The Criteria we have reported on is for Unquoted large companies. For the 2023 reporting period data we used the UK Government Gas Reporting Conversion Factors 2023 (conversion-factors-2023-full-set-advanced-users, published June 2023). For comparison the 2022 / 2021 reporting figures are referenced within this report calculated using the applicable annually revised conversion factors.

In the period covered by the report, sustainability reporting advice was taken from an external advisor. Our internal Compliance resource assisted by the Foxway Circular UK Operations and Facilities Management Team have developed Energy Use/ Carbon/ GHG reduction strategies.

Organisational and operational boundaries

The greenhouse gas emissions and energy use data are based on the activities at our Braintree location.

Base year

This is our fourth reporting period having reached the reporting threshold for SECR Unquoted large companies in 2020 Financial Year.

The 2021 Financial Year has been used as the baseline year, as 2021 was our second year of SECR reporting.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Operational Scopes

The SECR Mandatory reporting requirements for non-listed entities has been reported.

Scopes 1 and 2 have been reported, as has the SECR Mandatory Scope 3 and the conversion factors as set out in SECR GOVUK Green House Gas Conversion Tables from the conversion factors are calculated using the methodology from the applicable GOV.UK ghg-conversion-factors-2023-full-set and ghg-conversion-factors-2022-full-set have been used.

The following activities have been included in our calculation of our total energy consumption: Electricity; Gas; LPG for catering/ BBQ. LPG for Forklift Trucks has ceased as all on site lifting and loading equipment are powered by electricity. Business use Mileage Claims, Rail and Air Travel have all been included. The environmental impact of Energy use for homeworking has also been calculated.

We are reporting Zero Emissions of Global Warming Potential Refrigerant use in Heating and Ventilation systems are well maintained and no leakages have been detected.

The company outsources logistics shipments by land sea and air, these have been excluded, as a permitted exemption under SECR rules for "non-listed" entities.

We have excluded Non-Mandatory SECR GHG Emission items in this SECR report.

Operational purchases of materials and management of outbound waste are not included in this SECR report, as this is not mandated for non-listed entities under SECR as an Unquoted large company.

Intensity Metrics

As for the previous year(s) we again report on two intensity metrics of revenue and Employee Full Time Equivalent.

Additionally, we are reporting against a third intensity metric of Assets processed, derived from the number of assets sold as Cost of Goods Sold Metric.

	2023	2022	2021 (Base Year for SECR)
1 Revenue	£103,154,765	£109,837,281	£152,113,991

Intensity Ratio of t CO₂e/ £100,000 Revenue a common metric for all businesses in any sector.

2 FTE	127	111	97
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Intensity Ratio Energy Consumption of kWh/ monthly AVG of 122 employees in 2023 this figure aligns with our occupational health, safety reporting metrics.

3 Assets processed	4,458,644	3,183,675	2,122,104
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Intensity Ratio for Electricity kWh per 100,000 assets processed.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Foxway Circular UK Summary SECR Green House Gas Emissions 2023

	2023	2022	2021
Revenue	£103,154,765	£109,837,281	£152,113,991
FTE	127	111	97
Assets processed (Count =COGS item count)	4,458,644	3,183,675	2,122,104
Scope 1 Gaseous fuels - Propane Used Kgs	54	1,152	1,008
Scope 1 Gaseous fuels - Propane tCO2e	18.01	384.31	336.27
Scope 1 Gaseous fuels – Propane tCO2e /100,000 Assets Refurbished	0.40	12.07	15.85
Scope 1 Gaseous fuels – Propane tCO2e / employee	0.14	3.46	3.47
Scope 1 Gaseous fuels Intensity Ratio tCO2e/£100,000 Revenue	0.02	0.35	0.22
Scope 1 Natural Gas Emissions tCO2e	0	0	0
Scope 1 Refrigerant & other Emissions tCO2e	0	0	0
Scope 2 Electricity Use kWh	361,981.90	355,169.20	351,717.10
Scope 2 Electricity Use Total tCO2e	74.96	68.68	74.68
Scope 2 Electricity Use Intensity Ratio tCO2e /100,000 Assets Refurbished	1.68	2.16	3.52
Scope 2 Electricity Use Intensity Ratio tCO2e /employee	0.59	0.62	0.77
Scope 2 Electricity Use Intensity Ratio tCO2e/£100,000 Revenue	0.07	0.06	0.05
Scope 3 Business Travel Flights Taxis and Rail tCO2e	30.62	11.20	Not Reported
Scope 3 Business Travel Hotel Accommodation tCO2e	0.012	Not Reported	Not Reported
Scope 3 Homeworking (office equipment + heating) tCO2e	3.43	3.55	Not Reported
Scope 1 Totals tCO2e	18.01	384.31	336.27
Scope 2 Totals tCO2e	74.96	68.68	74.68
Scope 3 Totals tCO2e	34.07	14.75	Not Reported
All Scopes Totals tCO2e	127.04	467.74	410.95

Savings 2023/2022

	11.667	tCO2e /100,000 Assets Refurbished
Scope 1 Gaseous fuels - Propane		
Scope 1 Gaseous fuels - Propane	3.320	tCO2e /employee
Scope 1 Gaseous fuels Propane Intensity Ratio	0.332	tCO2e/£100,000 Revenue
Scope 2 Electricity Use Intensity Ratio	0.476	tCO2e /100,000 Assets Refurbished
Scope 2 Electricity Use Intensity Ratio	0.029	tCO2e /employee
Scope 3 Homeworking (office equipment + heating)	0.115	tCO2e
Scope 1 Totals	366.3	tCO2e
All Scopes	340.7	tCO2e

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Scope 1 Gaseous fuels

Scope 1 Savings in Gas (Natural and Propane)

- Reduction in Natural Gas Use from 20,018 kWh in 2020 to ZERO in 2022
- This equated to an annual saving when compared to 2020 of 3.7894 TCO_{2e}. From the year 2020 we have Reduced Green House Gas Emissions from Natural Gas Use in 2023 was again Zero.
- The 2023 Objective to stop using Propane LPG for Operating Fork Lift Trucks Ceased in January 2023 - small quantities used for outdoor catering events for staff. Total Usage for the year was 82Kgs, but only 54Kgs for powering the Forklifts.
- A reduction of 1002 Kgs Propane as Scope 1 Emissions the remaining 28Kgs are accounted for as a Scope 3 Emission.
- Scope 1 2023 Savings are 366.3 TCO_{2e} when compared to 2022.
- Forklift Fuel (Propane) whilst a slight usage increase 2021 – 2022; a reduction can be demonstrated in the Intensity Metrics of per employee and £ turnover.
- 2024 Objective will be to report ZERO Scope 1 Emissions form LPG Use, this objective is 100% achievable as we no longer use LPG to power the Fork Lift Trucks

Scope 2 Improvements GHG/TCO_{2e} Emissions Use of Electricity

Improvements 2023 Scope 2 – Electricity Foxway Circular UK Ltd.

2023 Efficiency Improvement when evaluating Electricity use for Asset Refurbishment.

A reduction of 0.48 tCO_{2e} Emissions per 100,000 Assets Refurbished 2023 compared to 2022.

In real terms we used more electricity in 2023 compared to previous years.

2024 Objective is to Procure 100% Certified Non-Fossil Fuel Electricity.

UK electricity Scope 2

UK electricity Scope 2 Electricity consumption, Office, Warehouse and Production.

Facilities Management and Operations Equipment Use.

UK electricity Transmission and Distribution Scope 3 Excluded as not an SECR Mandatory for non-listed enterprise.

Electricity usage is as per real time billing reports.

The UK electricity factor is prone to fluctuate from year to year as the fuel mix consumed in UK power stations (and auto-generators) and the proportion of net imported electricity changes.

Energy Efficiency Measures

The following measures were implemented during this reporting period.

Energy efficiency action and objectives 2023

The principal measures taken for the purpose of increasing the businesses' energy efficiency in the relevant financial year are set out within this document.

We have listed our principal actions that have had a direct impact on the energy efficiency of our Braintree operations. We have compared our previous and current business premises reductions in Energy and GHG Emissions 2023 against the previous years.

Our resulting energy saving from actions reported have therefore be reported in this SECR reporting year 2023.

Objective 2024 – Source 100% Electricity from Renewable Sources.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Scope 2 Improvements and Opportunities

2023 Energy Use SCOPE 2 Electricity Use Comparing to previous years.

An Increase in electricity usage of 6.812.70 kWh in this SECR reporting year compared to the previous year.

Throughput "Mass Balance" of Assets processed from the "COGS", cost of goods sold report", Operational efficiency improvement can be demonstrated:

	2023	2022	2021
Electricity use kWh	361,981.90	355,169.20	351,717.10
Intensity Ratio kWh/ £100,000 Revenue	350.91	323.36	231.22
Intensity Ratio /100,000 Assets Processed	8,118.65	11,155.95	16,573.98
Intensity Ratio kWh /employee 2023	2,850.25	3,199.72	3,625.95

Improvements achieved against Objectives Scope 1 and Scope 2 reporting 2022/2023

Energy use, a reduction of 349.47 kWh per employee

Scopes 1, 2 and 3 (SECR Mandatory Reporting Criteria) for 2023 of:

- 340.7 tCO₂e Reduction from the previous year.

Scope 1 and 2 savings have been achieved by:

- Zero use of Natural Gas in 2022
- LPG Use for Operating Fork Lift Trucks Ceased in January 2023 Only Using 54Kgs in 2023 due to the last Propane Fork Truck being off hired in January 2023.

Lighting – We have installed in all areas LED luminaires.

Lighting – We have installed in all areas Passive Infra-Red detectors

Electricity Use - Electric Mechanical Handling Fork Trucks, Flexi Trucks, Pallet Trucks are all using an Optimised re-charging system "Smart Chargers" that only charge plant batteries when needed.

Electricity Use - Our operational test racks have been redesigned since we relocated the Braintree Facility such that by design we have reduced by 50 % the meterage per test rack, thus reducing the potential draw of electricity use.

Achievement of the 2022 Objective to reduce Scope 1 Energy Consumption can be demonstrated the above table demonstrates and as described below.

Scope 1 Natural Gas

This has been achieved since 2021 No Longer Using Natural Gas

LPG/ Propane Use Scope 1

Reducing overall Propane Use as a Fuel for the Forklift, LPG Use for Operating Fork Lift Trucks Ceased in January 2023 - small quantities used for outdoor catering events for staff. Total Usage for the year was 82Kgs. Only Using 54Kgs in 2023 Less than 2022 reporting year. Reducing our Scope 1 Emissions by 366.3 TCO₂e as since January 2023 we no longer use LPG to power Fork Lifts.

External verification

As part of our ISO14001 environmental management of significant aspects, we are subject to third party external verification annually by a UKAS certification body.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Matters of strategic importance

Future developments and financial risk analysis are not shown within the Directors' Report as they are instead included within the Strategic Report on page 1 to 3 under S414c(11) of the Companies Act 2006.

Statement of disclosure to auditor

So far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Engagement with suppliers, customers and others in a business relationship

The above information is included in the s172 section of the Strategic Report.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 1 to 3. The directors have considered the latest guidance on going concern and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

On behalf of the board

C Farrell
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C Farrell (Feb 22, 2024, 2:59pm)

Director

22 Feb 2024

Date:

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

Opinion

We have audited the financial statements of Foxway Circular UK Ltd (formerly Global Resale, Ltd) (the 'company') for the year ended 31 December 2023 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD) (CONTINUED)

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD) (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and inspecting correspondence with local tax authorities where relevant.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to enquire of management whether the company is in compliance with those laws and regulations and completed searches for any reportable health and safety incidents in the public domain.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and sample testing of revenue transactions in the year to underlying source documentation including an assessment of cut off treatment.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://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.

Kerry Norman

Kerry Norman (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Third Floor
Priory Place
New London Road
Chelmsford
CM2 0PP

22/02/24
.....

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Turnover	3	103,154,765	109,837,281
Cost of sales		(88,775,946)	(96,055,297)
Gross profit		14,378,819	13,781,984
Administrative expenses		(9,662,603)	(9,180,320)
Exceptional items - administrative expenses	4	-	(3,417,244)
Operating profit	8	4,716,216	1,184,420
Interest receivable and similar income	10	43,727	-
Interest payable and similar expenses	11	-	(55,738)
Profit before taxation		4,759,943	1,128,682
Tax on profit	12	(1,186,436)	(121,254)
Profit for the financial year		3,573,507	1,007,428

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)**STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2023**

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Intangible assets	13		127,751		218,378
Tangible assets	14		1,066,218		1,217,481
			<u>1,193,969</u>		<u>1,435,859</u>
Current assets					
Stocks	15	9,899,492		11,850,391	
Debtors	16	6,261,453		5,797,009	
Cash at bank and in hand		11,619,839		6,659,224	
		<u>27,780,784</u>		<u>24,306,624</u>	
Creditors: amounts falling due within one year	17	(13,621,869)		(13,918,636)	
Net current assets			<u>14,158,915</u>		<u>10,387,988</u>
Total assets less current liabilities			<u>15,352,884</u>		<u>11,823,847</u>
Provisions for liabilities	18		(63,218)		(107,688)
Net assets			<u>15,289,666</u>		<u>11,716,159</u>
Capital and reserves					
Called up share capital	20		69		69
Capital contribution reserves	22		475,713		475,713
Profit and loss reserves	22		14,813,884		11,240,377
Total equity			<u>15,289,666</u>		<u>11,716,159</u>

The financial statements were approved by the board of directors and authorised for issue on 22 February 2024 and are signed on its behalf by:

C Farrell

.....
C Farrell (Feb 22, 2024, 2:59pm)

Director

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital £	contribution reserves £	Profit and loss reserves £	Total £
Balance at 1 January 2022	69	468,789	9,764,160	10,233,018
Year ended 31 December 2022:				
Profit and total comprehensive income for the year	-	-	1,007,428	1,007,428
Share based payments	-	475,713	-	475,713
Transfer in respect of previous share based payment scheme on sale of the business	-	(468,789)	468,789	-
Balance at 31 December 2022	69	475,713	11,240,377	11,716,159
Year ended 31 December 2023:				
Profit and total comprehensive income for the year	-	-	3,573,507	3,573,507
Balance at 31 December 2023	69	475,713	14,813,884	15,289,666

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	23	6,629,580		3,710,833	
Interest paid		-		(55,738)	
Income taxes paid		(1,135,918)		(185,075)	
Net cash inflow from operating activities		5,493,662		3,470,020	
Investing activities					
Purchase of intangible assets		-	(271,676)		
Purchase of tangible fixed assets		(69,443)	(74,691)		
Proceeds on disposal of tangible fixed assets		6,000	-		
Issue of intercompany loan		(500,976)	-		
Interest received		31,372	-		
Net cash used in investing activities		(533,047)		(346,367)	
Financing activities					
Repayment of intercompany loan		-	(6,898,492)		
Net cash used in financing activities		-		(6,898,492)	
Net increase/(decrease) in cash and cash equivalents		4,960,615		(3,774,839)	
Cash and cash equivalents at beginning of year		6,659,224		10,434,063	
Cash and cash equivalents at end of year		11,619,839		6,659,224	

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Foxway Circular UK Ltd (formerly Global Resale, Ltd) is a private company limited by shares domiciled and incorporated in England and Wales. The registered office and principal place of business is 4 Bradbury Park, Bradbury Drive, Braintree, Essex, CM7 2DH.

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

Accounting convention

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

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

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

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report on page 1 to 3. The directors have considered the latest guidance on going concern and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. Turnover is recognised when risks and rewards are transferred to the customer, which is generally on despatch (or customer collection).

Intangible fixed assets other than goodwill

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Computer software	3-5 years straight line
-------------------	-------------------------

Tangible fixed assets

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

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

Leasehold improvements	Over the life of the lease
Plant and equipment	2 to 5 years straight line
Furniture and fittings	5 years straight line

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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

Impairment of fixed assets

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

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

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

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

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

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

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Basic financial assets

Basic financial assets, which include trade and other debtors and amounts owed by group undertakings, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

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

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

Derecognition of financial assets

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

Classification of financial liabilities and equity

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

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

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

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

Taxation

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

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

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

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

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

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Employee benefits

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

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

Retirement benefits

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

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using a discounted cashflow method leading to an equity valuation. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. Where shares are issued directly without a vesting period or conditions, the expense is recognised immediately in full. A corresponding adjustment is made to equity. Where share based payments are made to the employee of a subsidiary undertaking, the fair value is recognised by that entity in profit and loss with a corresponding adjustment to equity, and the parent entity recognises the fair value as an increase to investments in subsidiaries and to equity.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies (Continued)

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Leases

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

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

2 Judgements and key sources of estimation uncertainty

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

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

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following key judgements:

- Determining whether there are indicators of impairment of the company's inventory. Factors taken into consideration in reaching such a decision include the maintenance of stock values at the lower of cost and net realisable value, taking into account the current, and future anticipated, rate of sale and current sales price.
- Arriving at the fair value of the share based payments issued to employees. This includes consideration of an appropriate method to arrive at this value.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2023 £	2022 £
Turnover analysed by class of business		
Sales of goods	102,097,419	109,004,361
Sales of services	1,057,346	832,920
	<u>103,154,765</u>	<u>109,837,281</u>

	2023 £	2022 £
Other revenue		
Interest income	43,727	-
	<u>43,727</u>	<u>-</u>

	2023 £	2022 £
Turnover analysed by geographical market		
United Kingdom	19,785,812	19,743,373
Rest of Europe	26,632,286	25,056,990
Rest of World	56,736,667	65,036,918
	<u>103,154,765</u>	<u>109,837,281</u>

4 Exceptional items

	2023 £	2022 £
Expenditure		
Acquisition warranty insurance premium and underwriter's fees	-	1,918,000
Tax liabilities associated with historical US Group share scheme model	-	676,500
Legal and professional fees	-	822,744
	<u>-</u>	<u>3,417,244</u>

5 Employees

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

	2023 Number	2022 Number
Employees	127	111
	<u>127</u>	<u>111</u>

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

5 Employees (Continued)

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	6,112,928	5,754,516
Social security costs	702,537	663,102
Pension costs	98,754	92,347
Share based payment charge	-	482,996
	<u>6,914,219</u>	<u>6,992,961</u>

6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	375,016	424,886
Company pension contributions to defined contribution schemes	5,600	5,600
	<u>380,616</u>	<u>430,486</u>

The number of directors for whom retirement benefits accrued under defined contribution schemes amounted to 1 (2022 - 1).

The directors also benefitted from share based payments to the value of £Nil (2022: £174,415).

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

	2023 £	2022 £
Remuneration for qualifying services	375,016	424,886
Company pension contributions to defined contribution schemes	5,600	5,600
	<u>380,616</u>	<u>430,486</u>

The share based payments disclosed above related in full to the highest paid director.

7 Share-based payment transactions

Liabilities and expenses

The share scheme relates to shares in the parent company, Foxway Group AB, which are issued to the employees of the various group companies. The charge to the statement of comprehensive income for Foxway Circular UK Ltd is determined by ascertaining which employees are employed by the company and identifying the element of the charge relating to those persons.

During the prior year, the group issued 4,500,000 hurdle shares with a fair value of 1.35 SEK to employees of Foxway Circular UK Ltd. No hurdle shares have been issued in the current year. There are no vesting conditions attached and as such the full fair value of £482,996 was recognised in the prior year. The fair value was calculated using a discounted cashflow method, taking into account the likelihood of the relevant hurdle requirements being met by the group. During the year the hurdle shares were converted into ordinary shares.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging:		
Exchange differences	74,076	278,063
Depreciation of owned tangible fixed assets	201,788	202,766
Loss on disposal of tangible fixed assets	12,918	-
Amortisation of intangible assets	90,627	54,558
Share-based payments	-	482,996
Operating lease charges	451,809	447,467
	<u> </u>	<u> </u>

9 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company (including additional work included within note 4)	109,000	126,000
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	8,000	5,300
All other non-audit services	8,000	8,465
	<u> </u>	<u> </u>
	16,000	13,765
	<u> </u>	<u> </u>

10 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Interest on bank deposits	1,667	-
Interest receivable from group companies	42,060	-
	<u> </u>	<u> </u>
Total income	43,727	-
	<u> </u>	<u> </u>

11 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	-	55,280
Interest payable to group undertakings	-	458
	<u> </u>	<u> </u>
	-	55,738
	<u> </u>	<u> </u>

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	1,151,379	113,849
Adjustments in respect of prior periods	79,527	(11,800)
	<u>1,230,906</u>	<u>102,049</u>
Deferred tax		
Origination and reversal of timing differences	(33,629)	(1,339)
Adjustment in respect of prior periods	(10,841)	20,544
	<u>(44,470)</u>	<u>19,205</u>
Total tax charge	<u>1,186,436</u>	<u>121,254</u>

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

	2023 £	2022 £
Profit before taxation	<u>4,759,943</u>	<u>1,128,682</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2022: 19.00%)	1,189,986	214,450
Tax effect of expenses that are not deductible in determining taxable profit	3,771	76,567
Adjustments in respect of prior years	-	8,744
Effect of change in corporation tax rate	(72,422)	(321)
Group relief	-	(291,306)
Under/(over) provided in prior years	68,686	-
Fixed asset differences	7,628	7,194
Short term timing differences	(11,213)	-
Share based payments	-	105,926
	<u>1,186,436</u>	<u>121,254</u>
Taxation charge for the year	<u>1,186,436</u>	<u>121,254</u>

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Intangible fixed assets

	Computer software £
Cost	
At 1 January 2023 and 31 December 2023	274,426
Amortisation and impairment	
At 1 January 2023	56,048
Amortisation charged for the year	90,627
At 31 December 2023	146,675
Carrying amount	
At 31 December 2023	127,751
At 31 December 2022	218,378

The amortisation charge for the year are recognised within administrative expenses.

14 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Furniture and fittings £	Total £
Cost				
At 1 January 2023	1,352,270	299,504	135,971	1,787,745
Additions	29,004	6,395	34,044	69,443
Disposals	(25,371)	(57,207)	(39,936)	(122,514)
At 31 December 2023	1,355,903	248,692	130,079	1,734,674
Depreciation and impairment				
At 1 January 2023	297,657	182,480	90,127	570,264
Depreciation charged in the year	138,352	46,705	16,731	201,788
Eliminated in respect of disposals	(14,878)	(50,295)	(38,423)	(103,596)
At 31 December 2023	421,131	178,890	68,435	668,456
Carrying amount				
At 31 December 2023	934,772	69,802	61,644	1,066,218
At 31 December 2022	1,054,613	117,024	45,844	1,217,481

15 Stocks

	2023 £	2022 £
Finished goods and goods for resale	9,899,492	11,850,391

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	3,043,537	3,376,792
Corporation tax recoverable	389,066	484,054
Amounts owed by group undertakings	1,265,222	13,913
Other debtors	396,953	383,372
Prepayments and accrued income	1,166,675	1,538,878
	<u>6,261,453</u>	<u>5,797,009</u>

Included in amounts owed by group undertakings is a loan due from Foxway AB of \$630,000. The loan is due for repayment on 14 June 2024 and interest is payable at LIBOR + 4.25%. The remaining balances owed by group undertakings are interest-free and repayable on demand. At the year end, £500,976 (2022: £Nil) is outstanding.

Included in prepayments and accrued income are rent deposits of £663,884 (2022: £663,884) that are due in over one year.

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	9,945,805	8,446,267
Amounts owed to group undertakings	301,624	1,183,289
Taxation and social security	276,673	214,958
Other creditors	17,297	7,924
Accruals and deferred income	3,080,470	4,066,198
	<u>13,621,869</u>	<u>13,918,636</u>

Amounts owed to group undertakings are interest-free and repayable on demand.

18 Provisions for liabilities

	Notes	2023	2022
		£	£
Deferred tax liabilities	19	63,218	107,688
		<u>63,218</u>	<u>107,688</u>

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

19 Deferred taxation

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

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Accelerated capital allowances	197,321	234,900
Short term timing differences	(134,103)	(127,212)
	<u>63,218</u>	<u>107,688</u>
		2023 £
Movements in the year:		
Liability at 1 January 2023		107,688
Credit to profit or loss		(44,470)
		<u>63,218</u>

20 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary shares of \$1 each	100	100	69	69
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The company has one class of ordinary shares which carry no right to fixed income and carry one vote each.

21 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	98,754	92,347
	<u> </u>	<u> </u>

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

Contributions totaling £24,906 (2022: £18,328) were payable to the fund at the year end and are included in creditors.

22 Reserves

Profit and loss reserves

The profit and loss accounts reserve represents the cumulative profit and loss net of distributions to owners.

Capital contributions reserves

Capital contributions represent the cumulative share based payment expense which is settled in equity issued by the ultimate parent company. Further detail on the accounting treatment is provided in notes 1 and 7.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

23 Cash generated from operations

	2023 £	2022 £
Profit for the year after tax	3,573,507	1,007,428
Adjustments for:		
Taxation charged	1,186,436	121,254
Finance costs	-	55,738
Investment income	(43,727)	-
Loss on disposal of tangible fixed assets	12,918	-
Amortisation and impairment of intangible assets	90,627	54,558
Depreciation and impairment of tangible fixed assets	201,788	202,766
Equity settled share based payment expense	-	482,996
Movements in working capital:		
Decrease/(increase) in stocks	1,950,899	(2,639,569)
(Increase)/decrease in debtors	(46,101)	607,464
(Decrease)/increase in creditors	(296,767)	3,818,198
Cash generated from operations	<u>6,629,580</u>	<u>3,710,833</u>

24 Analysis of changes in net funds

	1 January 2023 £	Cash flows £	31 December 2023 £
Cash at bank and in hand	<u>6,659,224</u>	<u>4,960,615</u>	<u>11,619,839</u>

25 Operating lease commitments

Lessee

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

	2023 £	2022 £
Within one year	635,654	605,503
Between one and five years	2,408,897	2,367,928
In over five years	1,087,516	1,599,946
	<u>4,132,067</u>	<u>4,573,377</u>

26 Events after the reporting date

In February 2024, a dividend of £1.5m was declared.

FOXWAY CIRCULAR UK LTD (FORMERLY GLOBAL RESALE, LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

27 Ultimate controlling party

The immediate parent undertaking is Foxway AB.

Foxway Group AB is the smallest group of undertakings for which group accounts are drawn up of which the company is a member. The address of Foxway Group AB is Grusasvagen 7, 351 45 Vaxjo, Sverige.

The ultimate parent company is Ytinrete TopCo AB, which is the largest group of undertakings for which group accounts are drawn up of which the company is a member. The address of Ytinrete TopCo AB is Evenemangsgatan 21 169 79 Solna.

There is deemed to be no ultimate controlling party.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, which includes directors, is as follows.

	2023	2022
	£	£
Aggregate compensation	1,255,264	1,365,016
	<u> </u>	<u> </u>

All share based payments as disclosed in note 7 relate to key management personnel.



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