

DAVIES GROUP LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

DIRECTORS' REPORT (continued)

EMPLOYEES

Details of the number of employees and related costs can be found in note 4 to the financial statements.

The Group has continued its commitment to fostering good communication and consultation at all levels with a view to informing and involving staff in the progress of the Group and its future. Elected employee representatives meet with the executive management of the Group to consult on important workplace issues, including but not limited to market conditions, performance of the business, employee issues and any changes in business direction. Communication with all employees is through the intranet, email and staff meetings.

To encourage their involvement in the future performance of the Group, executive management and directors are included in the management share scheme and employees participate in performance related bonus schemes.

EMPLOYMENT OF DISABLED PERSONS

It is the Group's policy to give, wherever possible, equal opportunity of employment and career development to both disabled and able persons according to their suitability to perform the work required. The Group also makes every effort to provide employment for employees who become disabled. All employees are given opportunities for training, career development and promotion consistent with their capabilities whether disabled or able.

ENERGY CONSUMPTION AND EMISSION

The Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2018 requires the company to disclose annual UK energy consumption and Greenhouse Gas (GHG) emissions from SECR regulated sources. Energy and GHG emissions have been independently calculated by Envantage Ltd for the reporting period 1st June 2020 to 31st May 2021. Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol¹ and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity, natural gas, and business travel in company-owned or grey-fleet cars.

The table below details the regulated SECR energy and GHG emission sources from the current (and previous) reporting period. The Group only has one reporting entity and the disclosure relates to the energy consumption of Keoghs only.

	1st June 2020 to 31st May 2021 (FY21)	1st June 2019 to 31st May 2020 (FY20)	% Change
Energy (kWh)			
Natural Gas	2,050,464	1,599,811	+28.2%
Electricity	1,738,696	1,860,899	-6.8%
Transport	168,980	493,929	-65.8%
Total Energy (kWh)	3,954,140	3,954,639	-0.01%
Emissions (tCO₂e)			
Natural gas	377.0	294.1	+28.2%
Electricity (location-based)	404.4	475.6	-15.0%
Transport	40.1	118.7	-66.2%
Total SECR emissions	821.6	888.4	+7.5%
Intensity metric			
Emissions intensity (tCO ₂ e / £m turnover)	7.9	9.2	-14.2%
*Included for comparison only			

¹Reported scope 1 emissions are limited to emission sources regulated by SECR only (gaseous fuels and transport). Additional scope 1 emissions under the GHG protocol have not been quantified.

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DIRECTORS' REPORT (continued)

ENERGY CONSUMPTION AND EMISSION (continued)

The Group is committed to reducing their environmental impact and contribution to climate change through increased energy management, awareness and changes to operational procedures. Keoghs LLP continually look to optimise environmental performance on their energy supplies and, whilst initial plans to procure 100% renewably-sourced energy were put on hold due to COVID, this has been adopted since to reduce utility-related emissions across sites where Keoghs have operational control. The COVID pandemic has also provided increased opportunity for working from home, which has in turn lead to significant reductions in business-related transport emissions from FY20.

Data Records & Methodology

Electricity and natural gas emissions have been calculated using metered kWh consumption taken from supplier fiscal invoices where available. For leased sites, electricity charges were converted to kWh using standard unit rates. For remaining sites where utility charges are rolled into the overall lease charge, the office floor area in m2 was taken and an average kWh/m2 has been applied to estimate annual kWh. Although COVID-19 has influenced office occupancy throughout the year, the standard benchmark has been applied in order to account for office baseload energy consumption and provide a conservative framework for reporting emissions. Associated GHG emissions have been calculated from energy consumption data using factors published by BEIS in 2020.

Transport emissions have been calculated against purchased fuel volumes and mileage expense data. Vehicle information is not held against each mileage expense claim, therefore the average UK split between petrol and diesel was used to determine the fuel split of the transport fleet in mileage claims. Keoghs LLP currently operate no mobile assets through company owned vehicles. Business fuel has been distinguished from personal travel as employee owned vehicle fuel is assigned a % business travel, allowing personal and business travel to be differentiated. Volume and mileage of petrol and diesel vehicles has been converted into energy and GHG emissions using factors published by BEIS in 2020.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Davies Topco Limited which has maintained cover for its directors and officers and those of its subsidiary companies under a directors' and officers' liability insurance policy as permitted by the Companies Act 2006. The liability insurance is a qualifying third party indemnity provision and was in force during the financial year and up to and including the date of the approval of the Annual Report and Financial Statements.

DIRECTORS

The directors who served during the year and up to the date of signing these financial statements unless otherwise stated are as follows:

D Coombes
A Debiase
D Saulter

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.