

Statement of Directors' Financial Responsibilities

Introduction

In accordance with Financial Conduct Authority (FCA) requirements, the Directors of the Company are required to provide a published statement of their responsibilities regarding the financial affairs of the Company.

Requirements & References

- This statement is a requirement within Chapter 4 of the Disclosure Guidelines and Transparency Rules (DTR) issued by the Financial Conduct Authority (themselves derived from the EU Transparency Obligations Directive).
- General requirements for company law are set out within the Companies Act 2006 and associated amendments and specific regulations. Part 15 (sections 380 to 474) of the Act sets out requirements for the preparation, distribution and filing of accounts and reports including the choice of accounting framework.
- FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and applicable law,

Definitions

Within this statement, the term 'Company' refers to Nagel Langdons Ltd, and 'Group' refers to Langdon Group Ltd.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102, and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company, and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- State whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- Make judgements and accounting estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy, at any time, the financial position of the Group and Company, and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors, under the Companies Act 2006, must act in the way they consider, in good faith, would be most likely to promote the success of the Group and Company for the benefit of its members as a whole, and in doing so have regard, amongst other matters to: the likely consequences of any decision in the long term; the interests of the Group's employees (as detailed in the Directors Report); the need to foster the Group's business

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relationships with suppliers, customers and others; the impact of the Group's operations on the community and the environment (referred to in the Strategic Report); the desirability of the Group maintaining a reputation for high standards of business conduct; and the need to act fairly as between members of the Group.

The Directors are aware of these responsibilities and consider that all major corporate decisions are made with these matters always being considered as part of the decision-making process. Strategic and key decisions are taken in consultation with the Nagel-Group across all areas of the business and their representation at quarterly board meetings ensures that key matters are notified to all stakeholders within the Company, Group and Nagel-Group.

Company and Group and this ethos along with protecting the longer-term future of the Company and Group and its employees was at the centre of key decisions taken in response to the pandemic risk.

The Directors took several clear strategic decisions in order to:

- Protect and retain employees
- Help customers maintain trade
- Directly reduce costs
- Manage shareholders expectations
- Preserve cashflow

Strategies involved increasing flexibility to adjust to fluctuating trade levels. This included reduction of fleet and targeted outsourcing where it made commercial sense, reduction of external staff, and the use of available Government grants at key times.

Customer service levels have been maintained through cross network support where individual hubs have had their own constraints as the pandemic ebbs and flows.

Close commercial monitoring of credit risks and increased customer contact avoided the need for further financial support.

Application & Review

This Statement is made pursuant to Chapter 4 of the Disclosure Guidelines and Transparency Rules (DTR) issued by the Financial Conduct Authority and constitutes our Group and Company's Statement of Directors' Financial Responsibilities for the most recently audited financial year, ending 31st December 2020. The Statement is to be reviewed on an annual basis and updated as necessary.

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