

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2022  
for  
H.Jenkinson & Company Limited

Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ



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for the Year Ended 31 December 2022

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H.Jenkinson & Company Limited

Company Information  
for the Year Ended 31 December 2022

**DIRECTORS:**

C W Mills  
M Baker  
J Mills  
B King  
A C Mills

**SECRETARY:**

Mrs S A Baker

**REGISTERED OFFICE:**

Kitling Road  
Knowsley Business Park  
Prescot  
Merseyside  
L34 9JR

**REGISTERED NUMBER:**

00169844 (England and Wales)

**AUDITORS:**

Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

The directors present their strategic report for the year ended 31 December 2022.

#### **REVIEW OF BUSINESS**

The company's activities are in three areas, office furniture, stationery and the rental and servicing photocopiers.

During 2022 we continued to focus our activities on our main profitable area of the business; office furniture supply and installation.

In 2022 we faced the challenge of Hybrid Working being the norm with the majority of our customers. This presented a challenge that staff were not returning in high numbers to their offices. Therefore, potentially less furniture is required. Through prudent management we have been able to use Hybrid Working as an opportunity to supply more collaborative furniture to our customers as they try to create "Destination" offices. This approach to furniture has enabled us to continue to grow furniture sales by over 14% whilst maintaining our gross margins.

We anticipate in 2023 that this trend of adapting existing offices to a new hybrid way of working will continue. This will give us opportunities to grow both sales and profits.

In 2022 we successfully tendered and won several new local authority accounts in the Midlands, we anticipate this trend continuing in 2023. This will present us with new growth opportunities in 2023 and beyond.

Stationery sales continue to be static and highly competitive. We have managed in 2022 to maintain our sales of stationery via the internet and consider this will continue in 2023.

The directors continue to be optimistic about the Company's future growth and profitability.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

Our major risk is the pressure on existing price agreements with our manufacturing partners: due to increase shipping and custom duties. We have anticipated these events and entered long-term supply contracts with our manufacturers.

The Directors continue to plan and operate the company in a manner which takes account of all the uncertainties and risks we have identified.

The Directors continue to be confident and optimistic about the long-term future of the company.

#### **ON BEHALF OF THE BOARD:**



C W Mills - Director

Date: 19 / 9 / 2023

H.Jenkinson & Company Limited

Report of the Directors  
for the Year Ended 31 December 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2022.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

C W Mills  
M Baker  
J Mills  
B King  
A C Mills

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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;
- 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
.....

C W Mills - Director

Date: .....19/09/2023

Report of the Independent Auditors to the Members of  
H.Jenkinson & Company Limited

**Opinion**

We have audited the financial statements of H.Jenkinson & Company Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**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 Report of the Directors.

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, 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 Statement of Directors' Responsibilities set out on page three, 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 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.

**Auditors' 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 a Report of the Auditors 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:

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principle risks were related to inflated revenue and profit.

Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation.
- review of any correspondence with legal advisors, and enquiries of management and those charged with governance around actual and potential litigation and claims
- enquiries with company's staff to identify any instances with non-compliance with laws and regulations
- enquiries of management and review of monthly management accounts and reports in so far as they related to the financial statements
- testing of journals and evaluating, whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud, and evaluating the business rationale of significant transactions outside the normal course of business
- undertaking detailed substantive testing of material items and a sample of other items
- consideration of the reasonableness of the figures and analytical review, including comparison with previous years and expected trends
- review of the compliance with and effectiveness of internal controls

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

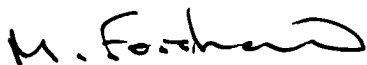
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



Report of the Independent Auditors to the Members of  
H.Jenkinson & Company Limited

**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 a Report of the Auditors 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.



Mr Michael Forshaw (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

Date: 19/9/2023

H.Jenkinson & Company Limited

Income Statement  
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
<b>TURNOVER</b>		<b>14,583,176</b>	<b>12,257,686</b>
Cost of sales		<u>10,639,194</u>	<u>8,716,655</u>
<b>GROSS PROFIT</b>		<b>3,943,982</b>	<b>3,541,031</b>
Administrative expenses		<u>3,866,365</u>	<u>3,458,703</u>
		<b>77,617</b>	<b>82,328</b>
Other operating income		<u>-</u>	<u>63,444</u>
<b>OPERATING PROFIT</b>	5	<b>77,617</b>	<b>145,772</b>
Interest payable and similar expenses	6	<u>3,713</u>	<u>3,439</u>
<b>PROFIT BEFORE TAXATION</b>		<b>73,904</b>	<b>142,333</b>
Tax on profit	7	<u>(24,227)</u>	<u>56,357</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b><u>98,131</u></b>	<b><u>85,976</u></b>

The notes form part of these financial statements

H.Jenkinson & Company Limited

Other Comprehensive Income  
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
<b>PROFIT FOR THE YEAR</b>		<b>98,131</b>	<b>85,976</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation		516,000	-
Income tax relating to other comprehensive income		(75,000)	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b>441,000</b>	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>539,131</b>	<b>85,976</b>

The notes form part of these financial statements

Balance Sheet

31 December 2022

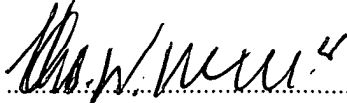
	Notes	£	31.12.22 £	£	31.12.21 £
<b>FIXED ASSETS</b>					
Tangible assets	8		1,695,027		1,224,978
<b>CURRENT ASSETS</b>					
Stocks	9	1,096,004		700,774	
Debtors	10	1,031,186		1,482,095	
Investments	11	133,889		144,385	
Cash at bank		3,031,850		2,030,999	
		<u>5,292,929</u>		<u>4,358,253</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	12	3,352,202		2,493,732	
<b>NET CURRENT ASSETS</b>			<u>1,940,727</u>		<u>1,864,521</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>3,635,754</b>		<b>3,089,499</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(30,226)		(64,126)
<b>PROVISIONS FOR LIABILITIES</b>	16		<u>(101,057)</u>		<u>(60,033)</u>
<b>NET ASSETS</b>			<u><u>3,504,471</u></u>		<u><u>2,965,340</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		1,134		1,134
Revaluation reserve	18		891,897		450,897
Retained earnings	18		<u>2,611,440</u>		<u>2,513,309</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>3,504,471</u></u>		<u><u>2,965,340</u></u>

H.Jenkinson & Company Limited (Registered number: 00169844)

Balance Sheet - continued

31 December 2022

The financial statements were approved by the Board of Directors and authorised for issue on  
.....19/9/2023..... and were signed on its behalf by:

.....

C W Mills - Director

The notes form part of these financial statements

H.Jenkinson & Company Limited

Statement of Changes in Equity  
for the Year Ended 31 December 2022

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Revaluation reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2021</b>	1,134	2,427,333	450,897	2,879,364
<b>Changes in equity</b>				
Total comprehensive income	-	85,976	-	85,976
<b>Balance at 31 December 2021</b>	1,134	2,513,309	450,897	2,965,340
<b>Changes in equity</b>				
Total comprehensive income	-	98,131	441,000	539,131
<b>Balance at 31 December 2022</b>	1,134	2,611,440	891,897	3,504,471

The notes form part of these financial statements

H.Jenkinson & Company Limited

Cash Flow Statement

for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,156,750	311,209
Interest element of hire purchase payments paid		(3,713)	(3,439)
Tax paid		(58,682)	(7,013)
Net cash from operating activities		<u>1,094,355</u>	<u>300,757</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(64,430)	(33,624)
Sale of tangible fixed assets		2,494	37,448
Net cash from investing activities		<u>(61,936)</u>	<u>3,824</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(33,900)	(54,163)
Amount introduced by directors		13,599	11,310
Amount withdrawn by directors		(11,267)	-
Net cash from financing activities		<u>(31,568)</u>	<u>(42,853)</u>
<b>Increase in cash and cash equivalents</b>		<u>1,000,851</u>	<u>261,728</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>2,030,999</u>	<u>1,769,271</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>3,031,850</u></u>	<u><u>2,030,999</u></u>

The notes form part of these financial statements

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.12.22	31.12.21
	£	£
Profit before taxation	73,904	142,333
Depreciation charges	97,566	131,925
Loss on disposal of fixed assets	10,321	132,303
Movement in investment	10,497	(16,687)
Finance costs	3,713	3,439
	<u>196,001</u>	<u>393,313</u>
Increase in stocks	(395,230)	(185,857)
Decrease/(increase) in trade and other debtors	450,908	(86,631)
Increase in trade and other creditors	<u>905,071</u>	<u>190,384</u>
<b>Cash generated from operations</b>	<u><u>1,156,750</u></u>	<u><u>311,209</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2022**

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u><u>3,031,850</u></u>	<u><u>2,030,999</u></u>

**Year ended 31 December 2021**

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u><u>2,030,999</u></u>	<u><u>1,769,271</u></u>



3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22 £	Cash flow £	At 31.12.22 £
<b>Net cash</b>			
Cash at bank	2,030,999	1,000,851	3,031,850
	<u>2,030,999</u>	<u>1,000,851</u>	<u>3,031,850</u>
 <b>Liquid resources</b>			
Current asset investments	144,385	(10,496)	133,889
	<u>144,385</u>	<u>(10,496)</u>	<u>133,889</u>
 <b>Debt</b>			
Finance leases	(117,764)	33,900	(83,864)
	<u>(117,764)</u>	<u>33,900</u>	<u>(83,864)</u>
 <b>Total</b>	<u>2,057,620</u>	<u>1,024,255</u>	<u>3,081,875</u>

1. **GENERAL INFORMATION**

The company is private company limited by shares (Co No 00169844) and is incorporated in England and Wales. The address of the registered office is Kitling Road, Knowsley Business Park, Prescot, L34 9JR.

2. **STATUTORY INFORMATION**

H.Jenkinson & Company Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

3. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of property.

**Significant judgements and estimates**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are not considered to be any critical judgements in applying the company's accounting policies.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on cost, 15% on reducing balance and 10% on reducing balance
Motor vehicles	- 25% reducing balance
Computer equipment	- 33% on cost

The freehold property was subject to a revaluation in 2022. The revalued amount is depreciated annually.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. **ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Debtors**

Short term debtors are measured at transaction price, less any impairment.

**Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method.

**Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and loans to related parties. Trade and other debtors are measured at transaction price less any impairment. Trade and other creditors are measured at transaction price. Other financial liabilities, including bank loans are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

4. **EMPLOYEES AND DIRECTORS**

	31.12.22	31.12.21
	£	£
Wages and salaries	2,680,093	2,137,461
Social security costs	200,285	388,185
	<u>2,880,378</u>	<u>2,525,646</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

4. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	31.12.22	31.12.21
All staff including directors	<u>55</u>	<u>56</u>

	31.12.22	31.12.21
	£	£
Directors' remuneration	<u>480,267</u>	<u>519,050</u>

Information regarding the highest paid director is as follows:

	31.12.22	31.12.21
	£	£
Emoluments etc	<u>483,263</u>	<u>133,150</u>

**Key management personnel**

The directors are considered to be key management personnel for the current and previous year. Their benefits are noted above.

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	97,566	32,986
Depreciation - assets on hire purchase contracts	-	98,938
Loss on disposal of fixed assets	10,321	132,303
Auditors' remuneration	13,925	14,050
Other non- audit services	-	1,000
	<u></u>	<u></u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.22	31.12.21
	£	£
Hire purchase	<u>3,713</u>	<u>3,439</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

7. **TAXATION**

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the profit for the year was as follows:

	31.12.22 £	31.12.21 £
Current tax:		
UK corporation tax	13,202	62,134
Under/Over Provision Corp Tax Under/Over Provision Corp Tax	(3,453)	-
Total current tax	9,749	62,134
Deferred tax	(33,976)	(5,777)
Tax on profit	<u>(24,227)</u>	<u>56,357</u>

**Reconciliation of total tax (credit)/charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.22 £	31.12.21 £
Profit before tax	<u>73,904</u>	<u>142,333</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	14,042	27,043
Effects of:		
Expenses not deductible for tax purposes	1,994	-
Capital allowances in excess of depreciation	(4,795)	-
Depreciation in excess of capital allowances	-	9,953
Adjustments to tax charge in respect of previous periods	(3,453)	-
Loss on disposal of assets	1,961	25,138
Deferred tax	(33,976)	(5,777)
Total tax (credit)/charge	<u>(24,227)</u>	<u>56,357</u>

**Tax effects relating to effects of other comprehensive income**

	Gross £	Tax £	31.12.22 Net £
Revaluation	<u>516,000</u>	<u>(75,000)</u>	<u>441,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

## 8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 January 2022	1,200,000	400,067	452,072	-	2,052,139
Additions	-	-	59,000	5,430	64,430
Disposals	-	-	(30,548)	-	(30,548)
Revaluations	300,000	-	-	-	300,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	1,500,000	400,067	480,524	5,430	2,386,021
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>					
At 1 January 2022	192,000	373,276	261,885	-	827,161
Charge for year	24,000	3,326	70,240	-	97,566
Eliminated on disposal	-	-	(17,733)	-	(17,733)
Revaluation adjustments	(216,000)	-	-	-	(216,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	-	376,602	314,392	-	690,994
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>					
At 31 December 2022	1,500,000	23,465	166,132	5,430	1,695,027
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	1,008,000	26,791	190,187	-	1,224,978
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Cost or valuation at 31 December 2022 is represented by:

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
Valuation in 2013	285,934	-	-	-	285,934
Valuation in 2022	300,000	-	-	-	300,000
Cost	914,066	400,067	480,524	5,430	1,800,087
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,500,000	400,067	480,524	5,430	2,386,021
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

8. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

		<b>Motor vehicles £</b>
<b>COST OR VALUATION</b>		
At 1 January 2022		
and 31 December 2022		<b>258,983</b>
<b>DEPRECIATION</b>		
At 1 January 2022		
and 31 December 2022		<b>105,552</b>
<b>NET BOOK VALUE</b>		
At 31 December 2022		<b>153,431</b>
At 31 December 2021		<b>153,431</b>
 9. <b>STOCKS</b>		
	31.12.22	31.12.21
	£	£
Finished goods	<b>1,096,004</b>	<b>700,774</b>
 10. <b>DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	31.12.22	31.12.21
	£	£
Trade debtors	<b>1,028,224</b>	<b>1,479,313</b>
Other debtors	<b>2,962</b>	<b>2,782</b>
	<b>1,031,186</b>	<b>1,482,095</b>
 11. <b>CURRENT ASSET INVESTMENTS</b>		
	31.12.22	31.12.21
	£	£
Unlisted investments	<b>133,889</b>	<b>144,385</b>
 12. <b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	31.12.22	31.12.21
	£	£
Hire purchase contracts (see note 14)	<b>53,638</b>	<b>53,638</b>
Trade creditors	<b>890,888</b>	<b>989,223</b>
Corporation tax	<b>13,202</b>	<b>62,135</b>
Social security and other taxes	<b>24,433</b>	<b>21,374</b>
VAT	<b>157,914</b>	<b>121,382</b>
Other creditors	<b>22,595</b>	<b>23,231</b>
Directors' current accounts	<b>113,552</b>	<b>111,220</b>
Accrued expenses	<b>2,075,980</b>	<b>1,111,529</b>
	<b>3,352,202</b>	<b>2,493,732</b>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Amounts owed to group undertakings are repayable on demand and attract no interest.

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.22	31.12.21
	£	£
Hire purchase contracts (see note 14)	<u>30,226</u>	<u>64,126</u>

14. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	31.12.22	31.12.21
	£	£
Gross obligations repayable:		
Within one year	56,180	56,180
Between one and five years	31,767	67,399
	<u>87,947</u>	<u>123,579</u>

Finance charges repayable:		
Within one year	2,542	2,542
Between one and five years	1,541	3,273
	<u>4,083</u>	<u>5,815</u>

Net obligations repayable:		
Within one year	53,638	53,638
Between one and five years	30,226	64,126
	<u>83,864</u>	<u>117,764</u>

	<b>Non-cancellable operating leases</b>	
	31.12.22	31.12.21
	£	£
Within one year	12,467	41,805
Between one and five years	23,000	35,467
	<u>35,467</u>	<u>77,272</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

15. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22	31.12.21
	£	£
Hire purchase contracts	<u>83,864</u>	<u>117,764</u>

16. **PROVISIONS FOR LIABILITIES**

	31.12.22	31.12.21
	£	£
Deferred tax	<u>101,057</u>	<u>60,033</u>

	Deferred tax £
Balance at 1 January 2022	60,033
Charge to Income Statement during year	<u>41,024</u>
Balance at 31 December 2022	<u>101,057</u>

17. **CALLED UP SHARE CAPITAL**

Allotted and issued:

Number:	Class:	Nominal value:	31.12.22 £	31.12.21 £
1,134	Ordinary share capital	1	<u>1,134</u>	<u>1,134</u>

Called up share capital - Represents the nominal value of shares that have been issued.

18. **RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 January 2022	2,513,309	450,897	2,964,206
Profit for the year	98,131		98,131
Property valuation	-	441,000	441,000
At 31 December 2022	<u>2,611,440</u>	<u>891,897</u>	<u>3,503,337</u>

Retained earnings - Includes all current and prior period retained profits and losses.

19. **ULTIMATE CONTROLLING PARTY**

For the whole year the company was under the control of Mr CW Mills, a major shareholder and Chairman of the company.