

TERNEX LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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FOR THE YEAR ENDED 31 MARCH 2023**

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TERNEX LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

DIRECTORS:

A Barker
VM Nevel

SECRETARY:

Dr A Nevel

REGISTERED OFFICE:

27 Ayot Green
Welwyn
Hertfordshire
AL6 9BA

REGISTERED NUMBER:

00498909 (England and Wales)

ACCOUNTANTS:

Jones Hunt & Keelings
Chartered Certified Accountants and
Chartered Tax Advisers
Broad House
1 The Broadway
Old Hatfield
Hertfordshire
AL9 5BG

BALANCE SHEET
31 MARCH 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Tangible assets	4		232,496		248,957
CURRENT ASSETS					
Stocks		129,586		110,217	
Debtors	5	175,506		208,815	
Cash at bank and in hand		<u>30,064</u>		<u>140,908</u>	
		335,156		459,940	
CREDITORS					
Amounts falling due within one year	6	<u>267,403</u>		<u>375,245</u>	
NET CURRENT ASSETS			<u>67,753</u>		<u>84,695</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			300,249		333,652
CREDITORS					
Amounts falling due after more than one year	7		(51,932)		(80,549)
PROVISIONS FOR LIABILITIES	10		<u>(32,282)</u>		<u>(23,933)</u>
NET ASSETS			<u>216,035</u>		<u>229,170</u>
CAPITAL AND RESERVES					
Called up share capital	11		1,000		1,000
Retained earnings			<u>215,035</u>		<u>228,170</u>
SHAREHOLDERS' FUNDS			<u>216,035</u>		<u>229,170</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 February 2024 and were signed on its behalf by:

VM Nevel - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. STATUTORY INFORMATION

Ternex 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In preparing these financial statements, the directors have exercised judgement in the following principal areas:

- In determining the depreciation rates of tangible fixed assets, which are depreciated over their useful lives, taking into account residual values, where appropriate. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as past experience and expected performance are taken into account.
- In estimating the quantum of doubtful debts when collection of the full amount is no longer probable. The directors' best estimate is based on the period the debt has been outstanding and the difficulties experienced and anticipated in pursuing collection.
- In assessing the net realisable value of the company's stock. Factors taken into consideration in reaching a decision include sales in the previous year and forecasts for the coming year.
- In determining whether there are indicators of impairment of the company's tangible fixed assets. Factors taken into consideration in reaching a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Turnover

Turnover represents sales of sawmill and joinery products and is recognised when the customer takes physical possession of the goods. 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.

Improvements to property	- 10% on cost
Plant and machinery	- 10% on cost
Office equipment	- 20% on cost

Stocks

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

Financial instruments

Basic financial instruments are recognised at amortised cost, with changes recognised as a profit or loss.

Taxation

Taxation for the year comprises current and deferred tax and is recognised in the Profit and Loss Account.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. 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.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

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.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

Government grants

Government grants have been accounted for under the accrual model, recognised as other income in the period to which they relate. There were no unfulfilled conditions or contingencies attached to the grant.

Going concern

The directors have a reasonable expectation that the company will continue to operate for the foreseeable future and so these financial statements are prepared on the going concern basis.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 21 (2022 - 19) .

4. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Office equipment £	Totals £
COST				
At 1 April 2022	248,819	504,948	38,844	792,611
Additions	-	22,735	-	22,735
Disposals	-	-	(449)	(449)
At 31 March 2023	<u>248,819</u>	<u>527,683</u>	<u>38,395</u>	<u>814,897</u>
DEPRECIATION				
At 1 April 2022	129,066	380,100	34,488	543,654
Charge for year	18,969	18,858	1,369	39,196
Eliminated on disposal	-	-	(449)	(449)
At 31 March 2023	<u>148,035</u>	<u>398,958</u>	<u>35,408</u>	<u>582,401</u>
NET BOOK VALUE				
At 31 March 2023	<u>100,784</u>	<u>128,725</u>	<u>2,987</u>	<u>232,496</u>
At 31 March 2022	<u>119,753</u>	<u>124,848</u>	<u>4,356</u>	<u>248,957</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

4. TANGIBLE FIXED ASSETS - continued

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

	Plant and machinery £
COST	
At 1 April 2022	
and 31 March 2023	<u>11,530</u>
DEPRECIATION	
At 1 April 2022	4,034
Charge for year	<u>1,153</u>
At 31 March 2023	<u>5,187</u>
NET BOOK VALUE	
At 31 March 2023	<u>6,343</u>
At 31 March 2022	<u>7,496</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	132,720	158,253
Directors' current accounts	38,801	50,528
VAT	2,795	-
Prepayments and accrued income	<u>1,190</u>	<u>34</u>
	<u>175,506</u>	<u>208,815</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts	22,862	22,862
Hire purchase contracts (see note 8)	5,755	5,755
Trade creditors	189,524	203,441
Tax	12,549	34,994
Social security and other taxes	13,192	14,318
VAT	-	81,925
Other creditors	9,806	5,847
Accrued expenses	<u>13,715</u>	<u>6,103</u>
	<u>267,403</u>	<u>375,245</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans - 1-2 years	22,862	22,862
Bank loans - 2-5 years	26,672	49,534
Hire purchase contracts (see note 8)	<u>2,398</u>	<u>8,153</u>
	<u>51,932</u>	<u>80,549</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

8. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2023 £	2022 £
Net obligations repayable:		
Within one year	5,755	5,755
Between one and five years	2,398	8,153
	<u>8,153</u>	<u>13,908</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2023 £	2022 £
Bank loans	72,396	95,258
Hire purchase contracts	8,153	13,908
	<u>80,549</u>	<u>109,166</u>

10. PROVISIONS FOR LIABILITIES

	2023 £	2022 £
Deferred tax	<u>32,282</u>	<u>23,933</u>

Deferred tax	£
Balance at 1 April 2022	23,933
Provided during year	8,349
Balance at 31 March 2023	<u>32,282</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2023 £	2022 £
Number:	Class:	Nominal value:		
800	Ordinary	£1	800	800
200	Ordinary B	£1	200	200
			<u>1,000</u>	<u>1,000</u>

12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 March 2023 and 31 March 2022:

	2023 £	2022 £
VM Nevel		
Balance outstanding at start of year	50,528	43,664
Amounts advanced	37,273	64,864
Amounts repaid	(49,000)	(58,000)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>38,801</u>	<u>50,528</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

12. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

Interest on the overdrawn directors loan account payable on a monthly basis at the official rate of interest, however there are no agreed repayment terms.

During the year interest was paid amounting to £1,453 in respect of the overdrawn director' loan account (2022: £651).

13. RELATED PARTY DISCLOSURES

During the year:

- Rent of £39,900 (2022: £37,520) was paid to a director in respect of premises occupied by the company.

- Dividends were paid to a director this year of £36,500 (2022: £42,000).

- Dividends were paid to a close family member of the director of £12,500 (2022: £16,000).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.