

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

FOR

SPL COMPONENTS LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	4
Income Statement	7
Other Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Cash Flow Statement	11
Notes to the Cash Flow Statement	12
Notes to the Financial Statements	13

SPL COMPONENTS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTORS:

G P Baxter
Mrs R E Baxter
S P Baxter
D Nicholson

SECRETARY:

Mrs R E Baxter

REGISTERED OFFICE:

Unit 6
Lockwood Park Industrial Estate
Leeds
West Yorkshire
LS11 5UX

REGISTERED NUMBER:

02996246 (England and Wales)

AUDITORS:

Lewis's Ltd (Statutory Auditors)
Windsor House
44 High Road
Balby
Doncaster
DN4 0PL

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

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

REVIEW OF BUSINESS

The directors considers the level of activity and the year end financial position to be satisfactory. Year on year, turnover has been comparable with the previous accounting period.

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive pressure in the UK is a continuing risk for the company, which could result in losing sales to its key competitors. The company manages this risk by reviewing its pricing policy and marketing strategy on a regular basis.

KEY PERFORMANCE INDICATORS

	2023	2022
	£	£
Revenue	10,886,063	10,565,869
Operating profit	318,809	324,540
Operating profit margin	2.93%	3.07%
Cash	60,305	84,243

FUTURE DEVELOPMENTS

The directors do not anticipate any material development in the ensuing year. However, the management policies will continue to be reviewed in the context of changing trading conditions.

ON BEHALF OF THE BOARD:

G P Baxter - Director

12 September 2023

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.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of wholesalers of furniture fittings.

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.

G P Baxter
Mrs R E Baxter
S P Baxter
D Nicholson

Other changes in directors holding office are as follows:

J Leivesley - resigned 31 December 2022

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Lewis's Ltd (Statutory Auditors), will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mrs R E Baxter - Secretary

12 September 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SPL COMPONENTS LIMITED

Opinion

We have audited the financial statements of SPL Components 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). The comparative figures have not been audited.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SPL COMPONENTS LIMITED

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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. This description forms part of our Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
SPL COMPONENTS 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 Paul Lewis (Senior Statutory Auditor)
for and on behalf of Lewis's Ltd (Statutory Auditors)
Windsor House
44 High Road
Balby
Doncaster
DN4 0PL

12 September 2023

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

		31.12.22	31.12.21 (Unaudited)
	Notes	£	£
TURNOVER	3	10,886,063	10,565,869
Cost of sales		<u>8,809,943</u>	<u>8,879,975</u>
GROSS PROFIT		2,076,120	1,685,894
Administrative expenses		<u>1,757,311</u>	<u>1,408,789</u>
		318,809	277,105
Other operating income		<u>-</u>	<u>47,435</u>
OPERATING PROFIT	6	318,809	324,540
Interest payable and similar expenses	7	<u>54,340</u>	<u>23,302</u>
PROFIT BEFORE TAXATION		264,469	301,238
Tax on profit	8	<u>46,947</u>	<u>50,657</u>
PROFIT FOR THE FINANCIAL YEAR		<u>217,522</u>	<u>250,581</u>

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	31.12.22	31.12.21
Notes	£	(Unaudited) £
PROFIT FOR THE YEAR	217,522	250,581
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>217,522</u>	<u>250,581</u>

The notes form part of these financial statements

SPL COMPONENTS LIMITED (REGISTERED NUMBER: 02996246)**BALANCE SHEET**
31 DECEMBER 2022

		31.12.22		31.12.21 (Unaudited)	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		-		-
Tangible assets	10		<u>451,205</u>		<u>559,121</u>
			<u>451,205</u>		<u>559,121</u>
CURRENT ASSETS					
Stocks	11	<u>2,494,995</u>		2,245,625	
Debtors	12	<u>2,992,121</u>		3,009,323	
Cash at bank and in hand		<u>60,305</u>		<u>84,243</u>	
		<u>5,547,421</u>		<u>5,339,191</u>	
CREDITORS					
Amounts falling due within one year	13	<u>3,706,334</u>		<u>3,636,568</u>	
NET CURRENT ASSETS			<u>1,841,087</u>		<u>1,702,623</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,292,292</u>		<u>2,261,744</u>
CREDITORS					
Amounts falling due after more than one year	14		<u>(161,372)</u>		<u>(334,495)</u>
PROVISIONS FOR LIABILITIES	18		<u>(84,208)</u>		<u>(98,059)</u>
NET ASSETS			<u>2,046,712</u>		<u>1,829,190</u>
CAPITAL AND RESERVES					
Called up share capital	19		<u>1,167</u>		<u>1,167</u>
Share premium	20		<u>19,535</u>		<u>19,535</u>
Capital redemption reserve	20		<u>149,898</u>		<u>149,898</u>
Retained earnings	20		<u>1,876,112</u>		<u>1,658,590</u>
SHAREHOLDERS' FUNDS			<u>2,046,712</u>		<u>1,829,190</u>

The financial statements were approved by the Board of Directors and authorised for issue on 12 September 2023 and were signed on its behalf by:

G P Baxter - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2021	1,167	1,408,009	19,535	149,898	1,578,609
Changes in equity					
Total comprehensive income	-	250,581	-	-	250,581
Balance at 31 December 2021	1,167	1,658,590	19,535	149,898	1,829,190
Changes in equity					
Total comprehensive income	-	217,522	-	-	217,522
Balance at 31 December 2022	1,167	1,876,112	19,535	149,898	2,046,712

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

		31.12.22	31.12.21
	Notes	£	(Unaudited) £
Cash flows from operating activities			
Cash generated from operations	1	193,591	131,680
Interest paid		(46,409)	(22,373)
Interest element of hire purchase payments paid		(7,931)	(929)
Tax paid		(22,048)	(63,758)
Net cash from operating activities		<u>117,203</u>	<u>44,620</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(123,945)	(142,202)
Sale of tangible fixed assets		138,292	-
Net cash from investing activities		<u>14,347</u>	<u>(142,202)</u>
Cash flows from financing activities			
New loans in year		-	128,679
Loan repayments in year		(96,080)	-
Capital repayments in year		(59,408)	(1,631)
Amount withdrawn by directors		-	(83,969)
Net cash from financing activities		<u>(155,488)</u>	<u>43,079</u>
Decrease in cash and cash equivalents		<u>(23,938)</u>	<u>(54,503)</u>
Cash and cash equivalents at beginning of year	2	84,243	138,746
Cash and cash equivalents at end of year	2	<u>60,305</u>	<u>84,243</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

	31.12.22	31.12.21 (Unaudited)
	£	£
Profit before taxation	264,469	301,238
Depreciation charges	102,214	77,732
Profit on disposal of fixed assets	(8,646)	-
Finance costs	54,340	23,302
	<u>412,377</u>	<u>402,272</u>
Increase in stocks	(249,370)	(622,194)
Decrease/(increase) in trade and other debtors	17,202	(460,133)
Increase in trade and other creditors	13,382	811,735
Cash generated from operations	<u>193,591</u>	<u>131,680</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>60,305</u>	<u>84,243</u>

Year ended 31 December 2021

	31.12.21 (Unaudited)	1.1.21
	£	£
Cash and cash equivalents	<u>84,243</u>	<u>138,746</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.22 £	Cash flow £	At 31.12.22 £
Net cash			
Cash at bank and in hand	<u>84,243</u>	<u>(23,938)</u>	<u>60,305</u>
	<u>84,243</u>	<u>(23,938)</u>	<u>60,305</u>
Debt			
Finance leases	(76,358)	59,408	(16,950)
Debts falling due within 1 year	(781,152)	(23,355)	(804,507)
Debts falling due after 1 year	(267,926)	119,436	(148,490)
	<u>(1,125,436)</u>	<u>155,489</u>	<u>(969,947)</u>
Total	<u>(1,041,193)</u>	<u>131,551</u>	<u>(909,642)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. STATUTORY INFORMATION

SPL Components 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.

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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

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

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

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

Plant and machinery	- 15% on cost
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 33% on reducing balance
Computer equipment	- 25% 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.

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.

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.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES - continued

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.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	31.12.22	31.12.21 (Unaudited)
	£	£
United Kingdom	10,816,857	10,469,301
Europe	69,206	96,568
	<u>10,886,063</u>	<u>10,565,869</u>

4. EMPLOYEES AND DIRECTORS

	31.12.22	31.12.21 (Unaudited)
	£	£
Wages and salaries	1,145,110	999,511
Social security costs	30,350	10,819
Other pension costs	35,907	19,399
	<u>1,211,367</u>	<u>1,029,729</u>

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

	31.12.22	31.12.21 (Unaudited)
Directors	5	3
Office	11	12
Warehouse	23	25
	<u>39</u>	<u>40</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

5. DIRECTORS' EMOLUMENTS

	31.12.22	31.12.21 (Unaudited)
	£	£
Directors' remuneration	266,285	96,907
Directors' pension contributions to money purchase schemes	<u>22,500</u>	<u>541</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>4</u>	<u>4</u>
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Information regarding the highest paid director for the year ended 31 December 2022 is as follows:

	31.12.22	
	£	
Emoluments etc	<u>67,097</u>	

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.12.22	31.12.21 (Unaudited)
	£	£
Other operating leases	13,931	15,922
Depreciation - owned assets	76,672	71,921
Depreciation - assets on hire purchase contracts	25,543	5,812
Profit on disposal of fixed assets	(8,646)	-
Auditors' remuneration	6,260	4,600
Operating leases - other	28,411	26,037
Operating leases - land & buildings	<u>170,576</u>	<u>159,945</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.22	31.12.21 (Unaudited)
	£	£
Loan interest	46,409	22,373
Hire purchase	<u>7,931</u>	<u>929</u>
	<u>54,340</u>	<u>23,302</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.12.22	31.12.21 (Unaudited)
	£	£
Current tax:		
UK corporation tax	60,798	22,048
Deferred tax:		
Accelerated Capital Allowances	<u>(13,851)</u>	<u>28,609</u>
Tax on profit	<u>46,947</u>	<u>50,657</u>

UK corporation tax has been charged at 19% (2021 - 19%).

Reconciliation of total tax 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 (Unaudited)
	£	£
Profit before tax	<u>264,469</u>	<u>301,238</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	50,249	57,235
Effects of:		
Expenses not deductible for tax purposes	363	329
Income not taxable for tax purposes	(1,643)	-
Capital allowances in excess of depreciation	-	(35,517)
Depreciation in excess of capital allowances	11,829	-
Deferred tax	<u>(13,851)</u>	<u>28,610</u>
Total tax charge	<u>46,947</u>	<u>50,657</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 January 2022	
and 31 December 2022	<u>86,000</u>
AMORTISATION	
At 1 January 2022	
and 31 December 2022	<u>86,000</u>
NET BOOK VALUE	
At 31 December 2022	<u>-</u>
At 31 December 2021	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2022	761,879	199,324	113,682	69,171	1,144,056
Additions	8,666	24,162	80,495	10,622	123,945
Disposals	-	-	(166,943)	-	(166,943)
At 31 December 2022	<u>770,545</u>	<u>223,486</u>	<u>27,234</u>	<u>79,793</u>	<u>1,101,058</u>
DEPRECIATION					
At 1 January 2022	420,544	88,654	22,874	52,863	584,935
Charge for year	52,316	18,641	25,555	5,703	102,215
Eliminated on disposal	-	-	(37,297)	-	(37,297)
At 31 December 2022	<u>472,860</u>	<u>107,295</u>	<u>11,132</u>	<u>58,566</u>	<u>649,853</u>
NET BOOK VALUE					
At 31 December 2022	<u>297,685</u>	<u>116,191</u>	<u>16,102</u>	<u>21,227</u>	<u>451,205</u>
At 31 December 2021	<u>341,335</u>	<u>110,670</u>	<u>90,808</u>	<u>16,308</u>	<u>559,121</u>

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

	Motor vehicles £
COST	
At 1 January 2022	92,989
Additions	80,495
Disposals	(166,943)
At 31 December 2022	<u>6,541</u>
DEPRECIATION	
At 1 January 2022	5,812
Charge for year	25,543
Eliminated on disposal	(37,297)
At 31 December 2022	<u>(5,942)</u>
NET BOOK VALUE	
At 31 December 2022	<u>12,483</u>
At 31 December 2021	<u>87,177</u>

11. STOCKS

	31.12.22	31.12.21 (Unaudited)
	£	£
Closing stock	<u>2,494,995</u>	<u>2,245,625</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21 (Unaudited)
	£	£
Trade debtors	2,207,462	2,582,953
Other debtors	715,454	372,618
Prepayments	69,205	53,752
	<u>2,992,121</u>	<u>3,009,323</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21 (Unaudited)
	£	£
Bank loans and overdrafts (see note 15)	804,507	781,152
Hire purchase contracts (see note 16)	4,068	9,789
Trade creditors	967,506	940,013
Tax	60,798	22,048
Social security and other taxes	90,601	50,732
VAT	96,727	175,045
Other creditors	1,527,169	1,464,333
Accrued expenses	154,958	193,456
	<u>3,706,334</u>	<u>3,636,568</u>

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

	31.12.22	31.12.21 (Unaudited)
	£	£
Bank loans (see note 15)	148,490	267,926
Hire purchase contracts (see note 16)	12,882	66,569
	<u>161,372</u>	<u>334,495</u>

15. LOANS

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21 (Unaudited)
	£	£
Amounts falling due within one year or on demand:		
Bank loans	93,028	73,923
Bank loans	711,479	707,229
	<u>804,507</u>	<u>781,152</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>148,490</u>	<u>267,926</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.12.22	31.12.21
		(Unaudited)
	£	£
Net obligations repayable:		
Within one year	4,068	9,789
Between one and five years	12,882	66,569
	<u>16,950</u>	<u>76,358</u>

	Non-cancellable operating leases	
	31.12.22	31.12.21
		(Unaudited)
	£	£
Within one year	198,987	185,983
Between one and five years	723,576	681,519
In more than five years	533,295	639,780
	<u>1,455,858</u>	<u>1,507,282</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.12.22	31.12.21
		(Unaudited)
	£	£
Bank loans	952,997	1,049,078
Hire purchase contracts	16,950	76,358
Other creditors	1,521,554	1,459,733
	<u>2,491,501</u>	<u>2,585,169</u>

Other creditors are secured against Trade Debtors and via fixed and floating charges over all the assets of the company in respect of monies advanced as part of an Invoice Discounting agreement.

Bank loans are secured via a fixed and floating charge over all the assets of the company.

Hire purchase creditors are secured on the relevant assets.

There is a guarantee in favour of H M Revenue and Customs dated 1 November 2018 for £350,000.

18. PROVISIONS FOR LIABILITIES

	31.12.22	31.12.21
		(Unaudited)
	£	£
Deferred tax	<u>84,208</u>	<u>98,059</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

18. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 1 January 2022	98,059
Accelerated capital allowances	<u>(13,851)</u>
Balance at 31 December 2022	<u>84,208</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.22 £	31.12.21 £
1,050	Ordinary	£1	<u>1,167</u>	<u>1,167</u>

20. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 January 2022	1,658,590	19,535	149,898	1,828,023
Profit for the year	<u>217,522</u>			<u>217,522</u>
At 31 December 2022	<u>1,876,112</u>	<u>19,535</u>	<u>149,898</u>	<u>2,045,545</u>

21. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. Contributions to the scheme were as follows:

	2022 £	2021 £
Pension contributions	35,907	19,399

22. ULTIMATE CONTROLLING PARTY

The controlling party is G P Baxter.

The ultimate controlling party is G P Baxter.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

23. RELATED PARTY DISCLOSURE

Muneris Product by Design Ltd

A company in which Mr G P Baxter is a significant shareholder

	2022 £	2021 £
Hire	17,360	8,190
Purchases	63,123	-
Management charges	170,000	172,665
Balance included in trade creditors	97,620	149,664

Lighting Innovations Ltd

A company in which Mr G P Baxter is a significant shareholder

	2022 £	2021 £
Sales	352,779	206,634
Balance included in trade debtors	28,367	13,866

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