Company registration number 00314850 (England and Wales)

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

COMPANY INFORMATION

Directors	Mr D M Clough Mr N D F Prior
Secretary	Mr C Dean
Company number	00314850
Registered office	324-330 Meanwood Road Leeds LS7 2JE
Auditor	Azets Audit Services Limited 33 Park Place Leeds LS1 2RY

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

CONTENTS

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Fair review of the business
The Group is predominantly engaged in the installation of terrazzo tiles and natural stone products to floors and walls within the construction industry in the UK.

The review provided is consistent with the size and non-complex nature of our business and is presented in the context of the risks and uncertainties that are ever present.

The Group operates as a link within a construction-dominant supply chain using its vast experience and quality processes to ensure the timely delivery of each project and adapting to changes that arise from time to time.

Turnover and margins are to a large degree dependent upon investment in the construction sector which in turn is governed by consumer confidence. Competition within the areas where the Group focuses is ever-present and maintaining or improving turnover and margin continues to be ever challenging.

The Group's development and performance will continue to be achieved by carefully managing contracts engagement and, wherever possible, to expand its current footprint within the construction sector that it operates. This diversification into other markets other than the supermarket groups is a fundamental and positive goal, which will include investment into the retail side of the business. This is evidenced by our opening of a new trade and retail showroom in Manchester during the year.

Development and performance
The financial statements present a balanced and comprehensive review of the development and performance of the business during the year and of its position at the year end.

Despite the continuing supply chain problems of inflation and resource availability, the Group achieved an increase in operating profit over the previous year. However this increase was offset by a reduction in the market value of the investments held by the Company. These investments are held for the long term and the Group is confident that the losses were due to the general performance of investment markets in 2022 and continue to anticipate growth in the long term.

Notwithstanding these issues the operating profit and profit before tax are in line with directors' expectations and these have not been achieved without continued value engineering and attaining high client satisfaction in a fiercely competitive market place.

The profit and loss reserves have decreased from £8,578,285 to £8,545,298 maintaining the strength of the Group's Balance Sheet.

The net assets of the Group at the year-end totalled £7,000,999 (2021 - £7,048,100).

The Board strive to achieve continual improvement at all times to create long-term value and sustainable growth by financially empowering and commercially developing our people.

Key performance indicators
We consider that the key performance indicators of turnover, gross margin and return on capital employed have communicated the strength of the Group in the past and they will continue to be engaged for the future.

The Group does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit and cash flow risks associated with selling on credit and manages this through its credit control procedures and credit insurance. The nature of its financial instruments mean that they are not subject to price or liquidity risks.

The Group does provide detailed weekly/monthly internal reports for submission to the Board so that it is cognisant with the current financial status.

Future developments

The directors, where economically viable, will adhere to the planned strategies and react to market changes to ensure the continued stability and strength of the company, enabling it to take advantage of the opportunities as they occur in a continuing economically challenging marketplace.

The continued development of the company in the marketplace remains a key focus of the directors to maintain where possible its position in a challenging economy, whilst ensuring that the focus on quality and service is not compromised by price.

In addition the directors anticipate that further challenges will arise as the market places, in which we operate, still continue to adapt to the UK's decision to the leave the EU.

By order of the board

Mr C Dean
Secretary
7 September 2023

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and financial statements for the year ended 31 December 2022.

Principal activities
The principal activity of the group continued to be the installation of terrazzo, ceramic and natural stone floor and wall finishes , and the manufacture of terrazzo flooring.

Results and dividends
The results for the year are set out on page 8.

The directors declared and paid dividends in the year as follows:
£11,875 Ordinary (2021 - £10,688), £62,650 'A' Ordinary (2021 - £147,564), £131,000 'B' Ordinary (2021 - £45,515), £33,825 'C' Ordinary (2021 - £46,710), £375 'D' Ordinary (2021 - £337), £1,500 'E' Ordinary (2021 - £1,350), £20,625 'G' Ordinary (2021 - £28,724), £125 'H' Ordinary (2021 - £112), £65,190 'J' Ordinary (2021 - £72,670) and £15,375 'K' Ordinary (2021 - £113).

The directors also approved the following dividends prior to the balance sheet date:
£25,000 'A' Ordinary (2021 - £25,000), £75,000 'B' Ordinary (2021 - £75,000), £nil 'C' Ordinary (2021 - £14,000), £nil 'G' Ordinary (2021 - £6,400), £50,000 'J' Ordinary (2021 - £nil) and £nil 'K' Ordinary (2021 - £50,000).

The directors are proposing a final dividend in respect of the financial year ending 31 December 2022 of £25 per Ordinary share, 'A' to 'E' and 'G' to 'K' Ordinary shares (2021 - £25 per ordinary share). The proposed final dividend is subject to approval by the directors at a Board Meeting and has not been included as a liability in these financial statements.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D M Clough
Mr M Wilson (Resigned 31 December 2022)
Mr N D F Prior

Auditor
The auditor, Azets Audit Services Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

By order of the board

Mr C Dean
Secretary

Mr D M Clough
Director

7 September 2023

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the Annual Report 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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the 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's 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. They 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF A. ANDREWS & SONS (MARBLES & TILES) LIMITED

Opinion

We have audited the financial statements of A. Andrews & Sons (Marbles & Tiles) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 group's and the parent company's affairs as at 31 December 2022 and of the group's 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent 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 group's and parent 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 directors' responsibilities statement, 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 is 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- Performing audit work over the timing and recognition of revenue and in particular whether it has been recorded in the correct accounting period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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 an auditor's report 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.

Matthew Grant (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

8 September 2023

Chartered Accountants
Statutory Auditor

33 Park Place
Leeds
LS1 2RY

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	13,344,505	12,549,695
Cost of sales		(8,859,990)	(8,725,977)
Gross profit		4,484,515	3,823,718
Administrative expenses		(3,797,775)	(3,391,978)
Other operating income		41,641	67,025
Operating profit	4	728,381	498,765
Interest receivable and similar income	8	14,925	101
Interest payable and similar expenses	9	(4,881)	(4,504)
Amounts written off investments		(165,233)	138,011
Profit before taxation		573,192	632,373
Tax on profit	10	(36,653)	(175,375)
Profit and total comprehensive income for the financial year		536,539	456,998
Profit and total comprehensive income for the financial year is attributable to:			
- Owners of the parent company		459,553	391,223
- Non-controlling interests		76,986	65,775
		536,539	456,998

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 34 form part of these financial statements.

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Goodwill	12		36,208		48,621
Tangible assets	13		1,944,180		1,972,533
Investments	14		1,795,141		2,018,926
			3,775,529		4,040,080
Current assets					
Stocks	17	1,753,047		1,427,258	
Debtors	18	3,446,499		2,847,734	
Cash at bank and in hand		1,958,450		2,051,305	
		7,157,996		6,326,297	
Creditors: amounts falling due within one year	19	(3,645,263)		(2,966,635)	
Net current assets			3,512,733		3,359,662
Total assets less current liabilities			7,288,262		7,399,742
Creditors: amounts falling due after more than one year	20		(15,263)		(66,090)
Provisions for liabilities					
Deferred tax liability	21	272,000		285,552	
			(272,000)		(285,552)
Net assets			7,000,999		7,048,100
Capital and reserves					
Called up share capital	22		6,017		6,017
Capital redemption reserve			10,464		10,464
Other reserves			(1,641,160)		(1,641,160)
Profit and loss reserves			8,545,298		8,578,285
Equity attributable to owners of the parent company			6,920,619		6,953,606
Non-controlling interests			80,380		94,494
			7,000,999		7,048,100

The financial statements were approved by the board of directors and authorised for issue on 8 September 2023 and are signed on its behalf by:

Mr D M Clough
Director
Company Registration No. 00314850

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	13		1,369,578		1,319,731
Investments	14		2,684,571		2,908,356
			4,054,149		4,228,087
Current assets					
Stocks	17	1,302,810		929,972	
Debtors	18	4,700,368		4,206,540	
Cash at bank and in hand		1,407,627		1,527,521	
		7,410,805		6,664,033	
Creditors: amounts falling due within one year	19	(4,708,258)		(4,032,342)	
Net current assets			2,702,547		2,631,691
Total assets less current liabilities			6,756,696		6,859,778
Provisions for liabilities					
Deferred tax liability	21	155,000		156,552	
			(155,000)		(156,552)
Net assets			6,601,696		6,703,226
Capital and reserves					
Called up share capital	22		6,017		6,017
Capital redemption reserve			10,464		10,464
Other reserves			(1,641,160)		(1,641,160)
Profit and loss reserves			8,226,375		8,327,905
Total equity			6,601,696		6,703,226

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £391,010 (2021 - £431,312 profit).

The financial statements were approved by the board of directors and authorised for issue on 8 September 2023 and are signed on its behalf by:

Mr D M Clough
Director

Company Registration No. 00314850

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital	Capital redemption reserve	Other reserves	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
		£	£	£	£	£	£	£
Balance at 1 January 2021		6,017	10,464	(1,641,160)	8,711,245	7,086,566	213,215	7,299,781
Year ended 31 December 2021:								
Profit and total comprehensive income for the year		-	-	-	391,223	391,223	65,775	456,998
Dividends	11	-	-	-	(524,183)	(524,183)	(116,100)	(640,283)
Balance at 31 December 2021		6,017	10,464	(1,641,160)	8,578,285	6,953,606	94,494	7,048,100
Year ended 31 December 2022:								
Profit and total comprehensive income for the year		-	-	-	459,553	459,553	76,986	536,539
Dividends	11	-	-	-	(492,540)	(492,540)	(91,100)	(583,640)
Balance at 31 December 2022		6,017	10,464	(1,641,160)	8,545,298	6,920,619	80,380	7,000,999

Other reserves is the consideration for company own shares paid for by the company on behalf of A. Andrews Trustee Limited, the Employee Benefit Trust (EBT). In accordance with FRS 102 s9.33-38, the consideration paid is deducted from the equity until such time that the equity instruments vest unconditionally with employees.

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Share capital £	Capital redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 January 2021		6,017	10,464	(1,641,160)	8,420,776	6,796,097
Year ended 31 December 2021:						
Profit and total comprehensive income for the year		-	-	-	431,312	431,312
Dividends	**11**	-	-	-	(524,183)	(524,183)
Balance at 31 December 2021		6,017	10,464	(1,641,160)	8,327,905	6,703,226
Year ended 31 December 2022:						
Profit and total comprehensive income for the year		-	-	-	391,010	391,010
Dividends	**11**	-	-	-	(492,540)	(492,540)
Balance at 31 December 2022		6,017	10,464	(1,641,160)	8,226,375	6,601,696

Other reserves is the consideration for company own shares paid for by the company on behalf of A. Andrews Trustee Limited, the Employee Benefit Trust (EBT). In accordance with FRS 102 s9.33-38, the consideration paid is deducted from the equity until such time that the equity instruments vest unconditionally with employees.

A. ANDREWS & SONS (MARBLES & TILES) LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022		2021	
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**27**		770,552		(383,082)
Interest paid			(4,881)		(4,504)
Income taxes paid			(50,424)		(135,028)
Net cash inflow/(outflow) from operating activities			715,247		(522,614)
Investing activities					
Purchase of tangible fixed assets		(251,737)		(217,900)	
Proceeds on disposal of tangible fixed assets		34,768		45,697	
Proceeds on disposal of investments		58,552		(48,000)	
Interest received		14,925		101	
Net cash used in investing activities			(143,492)		(220,102)
Financing activities					
Payment of finance leases obligations		(80,970)		(25,892)	
Dividends paid to equity shareholders		(492,540)		(526,783)	
Dividends paid to non-controlling interests		(91,100)		(116,100)	
Net cash used in financing activities			(664,610)		(668,775)
Net decrease in cash and cash equivalents			(92,855)		(1,411,491)
Cash and cash equivalents at beginning of year			2,051,305		3,462,796
Cash and cash equivalents at end of year			1,958,450		2,051,305

1 Accounting policies

Company information

A. Andrews & Sons (Marbles & Tiles) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 324-330 Meanwood Road, Leeds, LS7 2JE.

The group consists of A. Andrews & Sons (Marbles & Tiles) Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

1 Accounting policies **(Continued)**

The consolidated group financial statements consist of the financial statements of the parent company A. Andrews & Sons (Marbles & Tiles) Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover represents amounts receivable for installing and supplying terrazzo, ceramic and natural stone floor and wall finishes net of VAT and trade discounts.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	1% straight line
Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	10% and 20% straight line
Motor vehicles	20% straight line

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.7 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or l oss.

Listed investments are valued at fair value.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

The “percentage of completion method” is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

1.11 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies **(Continued)**

1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1 Accounting policies **(Continued)**

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.20 EBT shares treated as equity

FRS 102 s9.33-38 identifies that when intermediate payment arrangements, such as Employee Benefit Trusts (EBTs), hold the sponsoring entity's equity instruments the sponsoring entity shall account for the equity instruments as if it had purchased them directly. Therefore consideration paid for shares by the company on behalf of the EBT are recognised as a separate reserve within the Statement Of Changes In Equity.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Judgements and key sources of estimation uncertainty **(Continued)**

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Long term contracts

Work in progress is recognised for construction contract jobs which commenced before the Balance Sheet date, but were not completed. The valuation is estimated based on the actual costs incurred before the Balance Sheet date, which include labour, materials and other costs specifically allocated to the individual job by the quantity surveyor, less cash already received in advance.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as expenses in the period in which they are incurred and contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable.

Investment valuations

Listed investments are recognised at fair value based on the market valuation at the Balance Sheet date. The market valuation is based on the quoted prices communicated by fund managers.

Depreciation

The depreciation policy has been set according to managements experience of the useful lives of a typical asset in each category, something which is reviewed annually. It is not considered practical to use a per unit basis to allocate depreciation without undue cost and therefore amounts are charged annually. The depreciation charged during the year was £249,450 (2021 - £255,034) which the directors feel is a fair reflection of the benefits derived from the consumption of the tangible fixed assets in use during the period.

Bad debt provision

Outstanding trade debtor balances are reviewed on a line by line basis by management to identify possible amounts where a provision is required. Management closely manage the collection of trade debtors and are therefore able to identify balances where there is uncertainty about its recoverability, and determine what provision is required (if any).

Stock provision

At each reporting date an assessment is made for provisions required to properly recognise wastage, damaged goods and over absorbed overheads. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss and provided for in the balance sheet. Reversals of impairment losses are also recognised in profit or loss where these arise.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
Terrazzo	6,564,789	6,572,638
Pre Cast	531,434	371,495
Glasgow	977,533	1,104,820
Ceramic	1,724,400	1,899,090
Marble	494,737	378,755
Worktop	305,965	211,641
Tile showroom	2,331,318	1,588,191
Carriage and pallet recharges	414,329	423,065
	13,344,505	12,549,695

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	13,344,505	12,549,695

	2022	2021
	£	£
Other revenue		
Interest income	14,925	101
Grants received	-	41,405

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(752)	(2,413)
Government grants	659	(41,405)
Depreciation of owned tangible fixed assets	227,737	237,136
Depreciation of tangible fixed assets held under finance leases	21,713	17,898
Profit on disposal of tangible fixed assets	(4,128)	(29,689)
Amortisation of intangible assets	12,413	12,413
Operating lease charges	74,713	59,713

5 Auditor's remuneration

	2022	2021
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	10,300	7,950
Audit of the financial statements of the company's subsidiaries	6,900	5,650
	17,200	13,600
For other services		
Taxation compliance services	3,000	2,700
All other non-audit services for the company	3,440	3,150
All other non-audit services for the group	3,690	3,700
	10,130	9,550

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Contracts, stores and distribution	86	90	60	59
Administration	26	25	26	25
Total	112	115	86	84

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	3,716,117	3,717,894	2,924,707	2,874,270
Social security costs	422,041	385,314	339,955	301,124
Pension costs	237,859	232,666	209,036	203,104
	4,376,017	4,335,874	3,473,698	3,378,498

7 Directors' remuneration

	2022	2021
	£	£
Remuneration for qualifying services	67,268	57,396
Company pension contributions to defined contribution schemes	61,454	53,010
	128,722	110,406

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2021 - 3).

8 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	14,925	101

9 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	4,881	3,595
Other finance costs:		
Other interest	-	909
Total finance costs	4,881	4,504

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	115,036	114,097
Adjustments in respect of prior periods	(64,831)	(1,774)
Total current tax	50,205	112,323
Deferred tax		
Origination and reversal of timing differences	(13,552)	5,863
Changes in tax rates	-	57,189
Total deferred tax	(13,552)	63,052
Total tax charge	36,653	175,375

10 Taxation **(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	573,192	632,373
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	108,906	120,151
Tax effect of expenses that are not deductible in determining taxable profit	788	5,699
Adjustments in respect of prior years	(64,924)	1,774
Effect of change in corporation tax rate	-	57,189
Depreciation on assets not qualifying for tax allowances	1,664	1,377
Other tax adjustments	(9,781)	(10,815)
Taxation charge	36,653	175,375

11 Dividends

	2022	2021
Recognised as distributions to equity holders:	£	£
Interim paid	492,540	524,183

The directors declared and paid dividends in the year as follows:
£11,875 Ordinary (2021 - £10,688), £62,650 'A' Ordinary (2021 - £147,564), £131,000 'B' Ordinary (2021 - £45,515), £33,825 'C' Ordinary (2021 - £46,710), £375 'D' Ordinary (2021 - £337), £1,500 'E' Ordinary (2021 - £1,350), £20,625 'G' Ordinary (2021 - £28,724), £125 'H' Ordinary (2021 - £112), £65,190 'J' Ordinary (2021 - £72,670) and £15,375 'K' Ordinary (2021 - £113).

The directors also approved the following dividends prior to the balance sheet date:
£25,000 'A' Ordinary (2021 - £25,000), £75,000 'B' Ordinary (2021 - £75,000), £nil 'C' Ordinary (2021 - £14,000), £nil 'G' Ordinary (2021 - £6,400), £50,000 'J' Ordinary (2021 - £nil) and £nil 'K' Ordinary (2021 - £50,000).

12 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 January 2022 and 31 December 2022	154,134
Amortisation and impairment	
At 1 January 2022	105,513
Amortisation charged for the year	12,413
At 31 December 2022	117,926

12 Intangible fixed assets **(Continued)**

Carrying amount	
At 31 December 2022	36,208
At 31 December 2021	48,621

Company	Goodwill
	£
Cost	
At 1 January 2022 and 31 December 2022	30,000
Amortisation and impairment	
At 1 January 2022 and 31 December 2022	30,000
Carrying amount	
At 31 December 2022	-
At 31 December 2021	-

13 Tangible fixed assets

Group	Freehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2022	850,041	2,409,902	528,902	614,855	4,403,700
Additions	25,851	76,954	59,165	89,767	251,737
Disposals	-	(5,940)	-	(118,225)	(124,165)
At 31 December 2022	875,892	2,480,916	588,067	586,397	4,531,272
Depreciation and impairment					
At 1 January 2022	52,050	1,501,026	457,895	420,196	2,431,167
Depreciation charged in the year	8,759	136,667	24,955	79,069	249,450
Eliminated in respect of disposals	-	(5,940)	-	(87,585)	(93,525)
At 31 December 2022	60,809	1,631,753	482,850	411,680	2,587,092
Carrying amount					
At 31 December 2022	815,083	849,163	105,217	174,717	1,944,180
At 31 December 2021	797,991	908,876	71,007	194,659	1,972,533

13 Tangible fixed assets **(Continued)**

Company	Freehold land and buildings	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2022	850,041	1,034,078	379,454	614,855	2,981,093
Additions	25,851	66,004	59,165	89,767	240,787
Disposals	-	(5,940)	-	(118,225)	(124,165)
At 31 December 2022	875,892	1,094,142	438,619	586,397	2,995,050
Depreciation and impairment					
At 1 January 2022	52,050	778,004	308,447	420,196	1,650,061
Depreciation charged in the year	8,759	47,517	24,955	79,069	160,300
Eliminated in respect of disposals	-	(5,940)	-	(87,585)	(93,525)
At 31 December 2022	60,809	819,581	333,402	411,680	1,625,472
Carrying amount					
At 31 December 2022	815,083	274,561	105,217	174,717	1,369,578
At 31 December 2021	797,991	256,074	71,007	194,659	1,319,731

The carrying value of land and buildings comprises:

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Freehold land	275,000	275,000	275,000	275,000

Freehold land is not depreciated.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Plant and machinery	232,002	253,715	-	-
Depreciation charge for the year in respect of leased assets	21,713	17,898	-	-

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	889,430	889,430
Investments in associates	16	1	1	1	1
Listed investments		1,795,140	2,018,925	1,795,140	2,018,925
		1,795,141	2,018,926	2,684,571	2,908,356

Listed investments are recognised at fair value based on market valuations at the Balance Sheet date. Comparable valuations on the historical cost basis is £1,690,000 (2021 - £1,465,000).

Movements in fixed asset investments

Group	Shares in associates £	Other investments £	Total £
Cost or valuation			
At 1 January 2022	1	2,018,925	2,018,926
Additions	-	818,000	818,000
Valuation changes	-	(165,233)	(165,233)
Disposals	-	(876,552)	(876,552)
At 31 December 2022	1	1,795,140	1,795,141
Carrying amount			
At 31 December 2022	1	1,795,140	1,795,141
At 31 December 2021	1	2,018,925	2,018,926

Movements in fixed asset investments

Company	Shares in subsidiaries and associates £	Other investments £	Total £
Cost or valuation			
At 1 January 2022	889,431	2,018,925	2,908,356
Additions	-	818,000	818,000
Valuation changes	-	(165,233)	(165,233)
Disposals	-	(876,552)	(876,552)
At 31 December 2022	889,431	1,795,140	2,684,571
Carrying amount			
At 31 December 2022	889,431	1,795,140	2,684,571
At 31 December 2021	889,431	2,018,925	2,908,356

15 Subsidiaries

Details of the company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Kengate Holdings Limited	England and Wales	Holding company	Ordinary	75.00	-
QTL Holdings Limited	England and Wales	Dormant	Ordinary	0	75.00
Quiligotti Terrazzo Tiles Limited	England and Wales	Manufacturer of terrazzo tiles	Ordinary	0	75.00
A. Andrews Trustee Limited	England and Wales	Dormant	Ordinary	100.00	-

The investments in subsidiaries are all stated at cost.

The registered office of Quiligotti Terrazzo Tiles Limited, QTL Holdings Limited and Kengate Holdings Limited is Rake Lane, PO Box 4, Clifton Junction, Manchester, M27 8LP.

The registered office of A. Andrews Trustee Limited is 324-330 Meanwood Road, Leeds, LS7 2JE.

16 Associates

Details of associates at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Kengate Terrazzo Tiles Limited	England and Wales	Dormant	Ordinary	50

The registered office of the above is 324-330 Meanwood Road, Leeds, LS7 2JE.

17 Stocks

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Raw materials and consumables	96,584	124,697	-	-
Work in progress	480,809	591,810	458,149	566,444
Finished goods and goods for resale	1,175,654	710,751	844,661	363,528
	1,753,047	1,427,258	1,302,810	929,972

18 Debtors

	Group 2022	2021	Company 2022	2021
Amounts falling due within one year:	**£**	**£**	**£**	**£**
Trade debtors	3,029,429	2,544,093	2,697,900	2,270,263
Other debtors	83,020	85,638	1,762,158	1,762,022
Prepayments and accrued income	334,050	218,003	240,310	174,255
	3,446,499	2,847,734	4,700,368	4,206,540

19 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Obligations under finance leases	25	57,077	87,220	-	-
Trade creditors		2,696,968	1,994,401	2,426,777	1,671,021
Amounts owed to group undertakings		-	-	76,025	144,742
Corporation tax payable		115,036	115,255	44,737	45,355
Other taxation and social security		235,381	216,381	139,498	151,875
Dividends payab e		150,000	170,400	150,000	170,400
Other creditors		10,456	13,863	1,679,138	1,679,138
Accruals and deferred income		380,345	369,115	192,083	169,811
		3,645,263	2,966,635	4,708,258	4,032,342

20 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Obligations under finance leases	25	15,263	66,090	-	-

21 Deferred taxation

	Liabilities 2022	Liabilities 2021
Group	**£**	**£**
Accelerated capital allowances	272,000	258,562
Investments	-	26,990
	272,000	285,552

21 Deferred taxation (Continued)

Company	**Liabilities 2022 £**	**Liabilities 2021 £**
Accelerated capital allowances	155,000	129,562
Investments	-	26,990
	155,000	156,552

Movements in the year:	**Group 2022 £**	**Company 2022 £**
Liability at 1 January 2022	285,552	156,552
Credit to profit or loss	(13,552)	(1,552)
Liability at 31 December 2022	272,000	155,000

The UK corporation tax rate was 19% throughout the year.

The UK corporation tax rate was increased to 25% from April 2023. Deferred tax balances at the reporting date are therefore measured at 25% (2021 - 25%).

22 Share capital

	Group and company	
	2022	**2021**
Ordinary share capital	**£**	**£**
Issued and fully paid		
475 Ordinary shares of £1 each	475	475
416 'A' Ordinary shares of £1 each	416	416
334 'B' Ordinary shares of £1 each	334	334
125 'C' Ordinary shares of £1 each	125	125
15 'D' Ordinary shares of £1 each	15	15
60 'E' Ordinary shares of £1 each	60	60
4,537 'F' Ordinary shares of £1 each	4,537	4,537
25 'G' Ordinary shares of £1 each	25	25
5 'H' Ordinary shares of £1 each	5	5
20 'J' Ordinary shares of £1 each	20	25
5 'K' Ordinary shares of £1 each	5	25
	6,017	6,017

The Ordinary shares have attached to them full voting, dividend and capital distribution (including on winding up) rights. They do not confer any rights of redemption. The other share classes rank pari passu with the Ordinary shares.

23 Retirement benefit schemes

Defined contribution schemes	2022 £	2021 £
Charge to profit and loss in respect of defined contribution schemes	237,859	232,666

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Operating lease commitments

Lessee

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements are as follows:

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Within one year	72,898	69,251	57,007	48,255
Between two and five years	77,194	115,021	52,957	65,234
	150,092	184,272	109,964	113,489

25 Finance lease obligations

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	57,077	92,124	-	-
In two to five years	17,669	69,990	-	-
	74,746	162,114	-	-
Less: future finance charges	(2,406)	(8,804)	-	-
	72,340	153,310	-	-

Finance lease payments represent rentals payable by subsidiaries for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

26 Related party transactions

A. Andrews Trustee Limited

The company recognises the assets and liabilities of the employee benefit trust A. Andrews Trustee Limited. This intermediary is only used for buying company shares back from other shareholders, with no restrictions re ating to the assets and liabilities. No equity instruments are under option to employees or conditionally gifted to them.

A. Andrews Trustee Limited holds 4,537 (2021 - 4,537) F Ordinary shares of the company. The consideration paid by the company on behalf of A Andrews Trustee Limited for these shares amounts to £1,641,160 (2021 - £1,641,160), and is included within Other reserves in the Balance Sheet of these financial statements.

27 Cash generated from group operations

	2022	2021
	£	£
Profit for the year after tax	536,539	456,998
Adjustments for:		
Taxation charged	36,653	175,375
Finance costs	4,881	4,504
Investment income	(14,925)	(101)
Gain on disposal of tangible fixed assets	(4,128)	(29,689)
Amortisation and impairment of intangible assets	12,413	12,413
Depreciation and impairment of tangible fixed assets	249,450	255,034
Gains on investments	165,233	(37,469)
Movements in working capital:		
(Increase) in stocks	(325,789)	(285,937)
(Increase) in debtors	(598,765)	(208,469)
Increase/(decrease) in creditors	708,990	(625,199)
Cash generated from/(absorbed by) operations	770,552	(282,540)

28 Analysis of changes in net funds - group

	1 January 2022	Cash flows	31 December 2022
	£	£	£
Cash at bank and in hand	2,051,305	(92,855)	1,958,450
Obligations under finance leases	(153,310)	80,970	(72,340)
	1,897,995	(11,885)	1,886,110