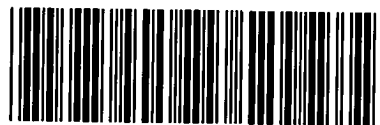


Registered Number: 03347348

**HARDWOOD LIMITED**  
**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

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21/12/2023

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COMPANIES HOUSE

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**FOR THE YEAR ENDED 31 MARCH 2023**

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

**DIRECTORS:**

Mr M J Meyer  
Mr A G Stead  
Mr M J P Bacon

**SECRETARY:**

Mr A G Stead

**REGISTERED OFFICE:**

Shelvin Manor Shelvin  
Wootton  
CANTERBURY  
Kent  
CT4 6RL

**BUSINESS ADDRESS:**

150 Minories  
Suite 302  
LONDON  
EC3N 1LS

**REGISTERED NUMBER:**

03347348 (England and Wales)

**AUDITORS:**

McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Building 1063  
Cornforth Drive  
Kent Science Park  
Sittingbourne  
Kent  
ME9 8PX

**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their strategic report of the company and the group for the year ended 31 March 2023.

**REVIEW OF BUSINESS**

The Groups activities are closely linked to the housing market conditions which in turn is influenced by Bank of England monetary policy and consumer confidence. Housebuilding has stalled in recent months and is expected to remain weak in the months ahead with many professional commentators expecting a significant decline in house prices.

The Board continues to monitor the changes in the public and private housebuilding sectors and are cautiously optimistic of maintaining its business performance in line with market conditions.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Risk management addresses compliance with regulation, legal, health & safety and ethical standards for the companies.

**KEY PERFORMANCE INDICATORS (KPI'S)**

The board monitors the progress of the company by reference to the following KPI's:

	<b><u>2023</u></b>	<b><u>2022</u></b>
Turnover	£13.3m	£14.7m
Gross margin %	35.4%	30.7%
Operating Profit (excluding exceptional items)	£742k	£1,161k

**BUSINESS ENVIRONMENT**

The outlook for the UK housing sector is predicted to slow down significantly influenced by Government and Bank of England policies to contain inflationary pressures and the consequent impact on consumer confidence.

**STRATEGY**

The group companies focus upon delivering excellent customer service, reliable product quality and continual product development to maintain growth in its core markets and return an appropriate return on capital employed.

**ON BEHALF OF THE BOARD:**

*Alan Stead*

.....  
Mr A G Stead - Secretary

16/12/2023

Date: .....

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2023.

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of sawmilling and planing of wood, manufacture of other builders' carpentry and joinery and construction of commercial and domestic buildings.

**DIVIDENDS**

A dividend was not declared for the year ended 31 March 2023.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**DIRECTORS**

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

Mr M J Meyer  
Mr A G Stead  
Mr M J P Bacon

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group 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 the group 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;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

**AUDITORS**

The auditors, McCabe Ford Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

*Alan Stead*

.....  
Mr A G Stead - Secretary

16/12/2023  
Date: .....

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HARDWOOD LIMITED**

**Opinion**

We have audited the financial statements of Hardwood Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2023 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 the 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 directors are responsible for the other information. The other information comprises the information in the Group 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HARDWOOD LIMITED**

**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 Group 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 Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 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 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 group's and 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.



**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
HARDWOOD LIMITED**

**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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.
- To address the risk of fraud through management bias and override of controls, we:
  - performed analytical procedures to identify any unusual or unexpected relationships;
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
  - investigated the rationale behind significant or unusual transactions such as recharges from the parent.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator, where applicable.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**HARDWOOD 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.



Ashley Phillips FCCA (Senior Statutory Auditor)  
for and on behalf of McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Building 1063  
Cornforth Drive  
Kent Science Park  
Sittingbourne  
Kent  
ME9 8PX

Date: .....18.....December.....2023

**HARDWOOD LIMITED**

**CONSOLIDATED**  
**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	31.3.23 £	£	31.3.22 £	£
<b>TURNOVER</b>			13,304,892		14,657,590
Cost of sales			8,593,686		10,153,083
<b>GROSS PROFIT</b>			4,711,206		4,504,507
Administrative expenses			3,976,861		3,417,240
			734,345		1,087,267
Other operating income			976,532		73,908
<b>OPERATING PROFIT</b>	5		1,710,877		1,161,175
Income from interest in associated undertakings		-		203,983	
Income from fixed asset investments		40,347		-	
Interest receivable and similar income		15,896		2,023	
			56,243		206,006
			1,767,120		1,367,181
Interest payable and similar expenses	6		27,839		47,141
<b>PROFIT BEFORE TAXATION</b>			1,739,281		1,320,040
Tax on profit	7		122,306		275,959
<b>PROFIT FOR THE FINANCIAL YEAR</b>			1,616,975		1,044,081
Profit attributable to:					
Owners of the parent			1,616,975		1,044,081

The notes form part of these financial statements

**HARDWOOD LIMITED****CONSOLIDATED  
OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	31.3.23 £	31.3.22 £
<b>PROFIT FOR THE YEAR</b>		1,616,975	1,044,081
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>1,616,975</u>	<u>1,044,081</u>
Total comprehensive income attributable to: Owners of the parent		<u>1,616,975</u>	<u>1,044,081</u>

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2023**

	Notes	31.3.23 £	£	31.3.22 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		-
Tangible assets	10		3,044,433		3,149,120
Investments	11				
Interest in associate undertaking			-		669,038
			<u>3,044,433</u>		<u>3,818,158</u>
<b>CURRENT ASSETS</b>					
Stocks	12	1,050,319		1,132,542	
Debtors	13	1,913,043		2,766,778	
Cash at bank and in hand		4,680,322		2,366,228	
		<u>7,643,684</u>		<u>6,265,548</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	1,544,397		2,222,690	
			<u>6,099,287</u>		<u>4,042,858</u>
<b>NET CURRENT ASSETS</b>					
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			9,143,720		7,861,016
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		(156,790)		(522,851)
<b>PROVISIONS FOR LIABILITIES</b>					
	19		(420,226)		(388,436)
<b>NET ASSETS</b>					
			<u>8,566,704</u>		<u>6,949,729</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		8,911		8,911
Capital redemption reserve	21		4,011		4,011
Retained earnings	21		8,553,782		6,936,807
<b>SHAREHOLDERS' FUNDS</b>					
			<u>8,566,704</u>		<u>6,949,729</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16/12/2023 and were signed on its behalf by:

*Alan Stead*

Mr A G Stead - Director

The notes form part of these financial statements

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2023**

	Notes	31.3.23 £	£	31.3.22 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		-
Tangible assets	10		-		1,000
Investments	11		723,410		735,141
			<u>723,410</u>		<u>736,141</u>
<b>CURRENT ASSETS</b>					
Debtors	13	452,290		343,673	
Cash at bank		1,315,794		574,460	
		<u>1,768,084</u>		<u>918,133</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	14	490,377		698,579	
<b>NET CURRENT ASSETS</b>			<u>1,277,707</u>		<u>219,554</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			2,001,117		955,695
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		-		233,066
<b>NET ASSETS</b>			<u>2,001,117</u>		<u>722,629</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		8,911		8,911
Capital redemption reserve	21		4,011		4,011
Retained earnings	21		1,988,195		709,707
<b>SHAREHOLDERS' FUNDS</b>			<u>2,001,117</u>		<u>722,629</u>
Company's profit for the financial year			<u>1,278,488</u>		<u>44,671</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16/12/2023  
 ..... and were signed on its behalf by:

*Alan Stead*

.....  
 Mr A G Stead - Director

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
<b>Balance at 1 April 2021</b>	8,911	5,892,726	4,011	5,905,648
<b>Changes in equity</b>				
Total comprehensive income	-	1,044,081	-	1,044,081
<b>Balance at 31 March 2022</b>	8,911	6,936,807	4,011	6,949,729
<b>Changes in equity</b>				
Total comprehensive income	-	1,616,975	-	1,616,975
<b>Balance at 31 March 2023</b>	8,911	8,553,782	4,011	8,566,704

The notes form part of these financial statements

**COMPANY STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
<b>Balance at 1 April 2021</b>	8,911	665,036	4,011	677,958
<b>Changes in equity</b>				
Total comprehensive income	-	44,671	-	44,671
<b>Balance at 31 March 2022</b>	8,911	709,707	4,011	722,629
<b>Changes in equity</b>				
Total comprehensive income	-	1,278,488	-	1,278,488
<b>Balance at 31 March 2023</b>	8,911	1,988,195	4,011	2,001,117

The notes form part of these financial statements



**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	31.3.23 £	31.3.22 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,605,658	931,005
Interest paid		(27,839)	(47,141)
Tax paid		(75,262)	-
Net cash from operating activities		<u>1,502,557</u>	<u>883,864</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(299,214)	(314,847)
Sale of tangible fixed assets		9,002	2,000
Sale of fixed asset investments		1,633,570	-
Interest received		15,896	2,023
Dividends received		40,347	-
Net cash from investing activities		<u>1,399,601</u>	<u>(310,824)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		(354,824)	(128,245)
Capital repayments in year		(13,240)	(14,931)
Amount introduced by directors		(319,000)	-
Amount withdrawn by directors		99,000	-
Net cash from financing activities		<u>(588,064)</u>	<u>(143,176)</u>
<b>Increase in cash and cash equivalents</b>		<u>2,314,094</u>	<u>429,864</u>
<b>Cash and cash equivalents at beginning of year</b>	2	<u>2,366,228</u>	<u>1,936,364</u>
<b>Cash and cash equivalents at end of year</b>	2	<u><u>4,680,322</u></u>	<u><u>2,366,228</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023**

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

	31.3.23	31.3.22
	£	£
Profit before taxation	1,739,281	1,320,040
Depreciation charges	398,895	279,960
Profit on disposal of fixed assets	(968,533)	(2,000)
Corporation tax refund	-	1,770
Difference on deferred tax movement	-	(1,587)
Finance costs	27,839	47,141
Finance income	(56,243)	(206,006)
	<u>1,141,239</u>	<u>1,439,318</u>
Decrease/(increase) in stocks	82,223	(191,620)
Decrease/(increase) in trade and other debtors	853,735	(692,371)
(Decrease)/increase in trade and other creditors	(471,539)	375,678
	<u>1,605,658</u>	<u>931,005</u>
<b>Cash generated from operations</b>	<u><u>1,605,658</u></u>	<u><u>931,005</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 March 2023**

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	<u>4,680,322</u>	<u>2,366,228</u>

**Year ended 31 March 2022**

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	<u>2,366,228</u>	<u>1,936,364</u>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2023**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.22 £	Cash flow £	At 31.3.23 £
<b>Net cash</b>			
Cash at bank and in hand	2,366,228	2,314,094	4,680,322
	<u>2,366,228</u>	<u>2,314,094</u>	<u>4,680,322</u>
<b>Debt</b>			
Finance leases	(16,976)	13,240	(3,736)
Debts falling due within 1 year	(121,758)	(6,103)	(127,861)
Debts falling due after 1 year	(517,717)	360,927	(156,790)
	<u>(656,451)</u>	<u>368,064</u>	<u>(288,387)</u>
<b>Total</b>	<u>1,709,777</u>	<u>2,682,158</u>	<u>4,391,935</u>

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

**1. STATUTORY INFORMATION**

Hardwood 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 General Information page.

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

**2. STATEMENT OF COMPLIANCE**

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.

**3. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

**Significant judgements and estimates**

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered 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 to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets as well as amortisation of both positive and negative goodwill recognised on the consolidation of the group.

**Turnover**

Turnover is recognised when it is probable that economic benefits will flow to the company and is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

In determining the fair value of the consideration receivable the risk of default is a key factor, particularly in relation to retentions. If the risk of default, taking into consideration all known factors, is so high that it is not probable that any payment will be received then no revenue is recognised until such time as receipt becomes probable.

**Goodwill**

The net book value of goodwill, being the amount arising from consolidation is £Nil goodwill (2022: £Nil goodwill). This is being written off evenly over its estimated useful life of five years.

Goodwill, being the amount paid in connection with the acquisition of a business in 1990, was written off evenly over its estimated useful life of five years.

**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.

Development costs are being amortised evenly over their estimated useful life of ten years.

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

**3. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

Freehold property	- 2% on a straight line basis or not provided for
Leasehold property	- 20% or 10% on a straight line basis
Buildings	- 2% on a straight line basis
Plant and machinery	- 25% on reducing balance or 5%, 10%, 20% or 25% on a straight line basis
Fixtures and fittings	- 25% or 33.33% on reducing balance or 20% on a straight line basis
Motor vehicles	- 25% on reducing balance or 25% on a straight line basis
Computer equipment	- 20% on a straight line basis

**Investments in associates**

Investments in associate undertaking are recognised initially at cost then accounted for using the equity method.

**Stocks**

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

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

**3. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

**a) Trade and other debtors**

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

**b) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand.

**c) Impairment of financial assets**

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

**d) Trade and other creditors**

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

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

**3. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 statement of financial position date.

**Deferred tax**

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

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

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

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred. Identified development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

**Hire purchase and leasing commitments**

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

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

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

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

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

**3. ACCOUNTING POLICIES - continued**

**Impairment of non-financial assets**

At each reporting date non-financial assets not carried at fair value, like plant and equipment, are reviewed, to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

Inventories are also assessed for impairment at each reporting date. Each item of inventory is compared to the last sold date and an impairment loss recognised on a percentage basis in profit and loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit and loss.

**Going concern**

The directors have assessed the major risks to which the group is exposed and assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the group to continue as a going concern. The directors make this assessment in respect of a period of at least one year from the date of approval of the financial statements.

**Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the group but are presented separately due to their size or incidence.

**4. EMPLOYEES AND DIRECTORS**

	31.3.23	31.3.22
	£	£
Wages and salaries	3,437,884	3,347,951
Social security costs	51,868	22,537
Other pension costs	124,518	76,934
	<u>3,614,270</u>	<u>3,447,422</u>

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

	31.3.23	31.3.22
Employees (including Directors)	<u>98</u>	<u>100</u>

	31.3.23	31.3.22
	£	£
Directors' remuneration	<u>472,947</u>	<u>462,125</u>



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

**4. EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	31.3.23	31.3.22
	£	£
Emoluments etc	<u>145,000</u>	<u>231,500</u>

**5. OPERATING PROFIT**

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

	31.3.23	31.3.22
	£	£
Depreciation - owned assets	392,350	351,638
Depreciation - assets on hire purchase contracts	6,550	6,550
Profit on disposal of fixed assets	(968,533)	(2,000)
Goodwill amortisation	-	(78,229)
Auditors remuneration	36,887	34,879
Auditors' remuneration for non audit work	<u>4,000</u>	<u>3,605</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.23	31.3.22
	£	£
Bank interest	-	19,247
Hire purchase interest	-	1,516
Bank loan interest	1,082	938
Other interest	6,028	15,959
Mortgage interest	5,198	5,506
Loan note interest	<u>15,531</u>	<u>3,975</u>
	<u>27,839</u>	<u>47,141</u>

**7. TAXATION****Analysis of the tax charge**

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

	31.3.23	31.3.22
	£	£
Current tax:		
UK corporation tax	144,184	196,579
Underprovision previous year	-	(1,578)
Overprovision previous year	<u>(44,461)</u>	<u>(27,244)</u>
Total current tax	99,723	167,757
Deferred taxation	<u>22,583</u>	<u>108,202</u>
Tax on profit	<u>122,306</u>	<u>275,959</u>

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

**8. INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

**9. INTANGIBLE FIXED ASSETS****Group**

	Goodwill £	Development costs £	Totals £
<b>COST</b>			
At 1 April 2022			
and 31 March 2023	(20,177)	579,387	559,210
<b>AMORTISATION</b>			
At 1 April 2022			
and 31 March 2023	(20,177)	579,387	559,210
<b>NET BOOK VALUE</b>			
At 31 March 2023	-	-	-
At 31 March 2022	-	-	-

The goodwill cost of £20,177 consists of goodwill of £3,195,533 and negative goodwill of £3,215,710 in relation to the acquisition of the subsidiaries.

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

**10. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Leasehold property £	Buildings £
<b>COST</b>			
At 1 April 2022	1,108,554	300,577	336,666
Additions	13,378	-	-
Disposals	-	-	-
At 31 March 2023	1,121,932	300,577	336,666
<b>DEPRECIATION</b>			
At 1 April 2022	185,878	258,577	211,995
Charge for year	17,161	10,200	6,708
Eliminated on disposal	-	-	-
At 31 March 2023	203,039	268,777	218,703
<b>NET BOOK VALUE</b>			
At 31 March 2023	918,893	31,800	117,963
At 31 March 2022	922,676	42,000	124,671

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 April 2022	5,086,137	131,258	317	6,963,509
Additions	270,896	14,940	-	299,214
Disposals	(42,513)	(7,525)	-	(50,038)
At 31 March 2023	5,314,520	138,673	317	7,212,685
<b>DEPRECIATION</b>				
At 1 April 2022	3,059,950	97,673	316	3,814,389
Charge for year	348,455	16,376	-	398,900
Eliminated on disposal	(37,512)	(7,525)	-	(45,037)
At 31 March 2023	3,370,893	106,524	316	4,168,252
<b>NET BOOK VALUE</b>				
At 31 March 2023	1,943,627	32,149	1	3,044,433
At 31 March 2022	2,026,187	33,585	1	3,149,120

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

**10. TANGIBLE FIXED ASSETS - continued****Group**

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

	Plant and machinery £
<b>COST</b>	
At 1 April 2022 and 31 March 2023	65,500
<b>DEPRECIATION</b>	
At 1 April 2022	20,196
Charge for year	6,550
At 31 March 2023	26,746
<b>NET BOOK VALUE</b>	
At 31 March 2023	38,754
At 31 March 2022	45,304

**Company**

	Fixtures and fittings £
<b>COST</b>	
At 1 April 2022 and 31 March 2023	5,000
<b>DEPRECIATION</b>	
At 1 April 2022	4,000
Charge for year	1,000
At 31 March 2023	5,000
<b>NET BOOK VALUE</b>	
At 31 March 2023	-
At 31 March 2022	1,000

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

**11. FIXED ASSET INVESTMENTS**

**Group**

	Interest in associate undertaking £
<b>COST</b>	
At 1 April 2022	669,038
Disposals	(669,038)
	<hr/>
At 31 March 2023	-
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2023	-
	<hr/>
At 31 March 2022	669,038
	<hr/>

**Interest in associate undertaking**

Wingham Timber & Mouldings Limited - *Company number: 01589592*  
 The group's share of Wingham Timber & Mouldings Limited is as follows:

	31.3.23 £	31.3.22 £
Turnover	-	2,076,628
	<hr/>	<hr/>
Profit before tax	-	248,730
Taxation	-	(44,747)
Profit after tax	-	203,983
	<hr/>	<hr/>
Share of assets		
Fixed assets	-	187,457
Current assets	-	888,340
Share of liabilities		
Liabilities due within one year	-	(440,884)
Liabilities due after one year or more	-	(8,394)
Share of net assets	-	626,519
	<hr/>	<hr/>

As at 30 September 2022 the shares held by Hardwood Limited were sold.

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

**11. FIXED ASSET INVESTMENTS - continued****Company**

	Unlisted investments £
<b>COST</b>	
At 1 April 2022	735,141
Disposals	(11,731)
	<hr/>
At 31 March 2023	723,410
	<hr/>
<b>NET BOOK VALUE</b>	
At 31 March 2023	723,410
	<hr/>
At 31 March 2022	735,141
	<hr/>

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Subsidiaries****Triad Timber Components Limited – Company Number: 01036744**

Registered office: Bank Chambers, 1 Central Avenue, Sittingbourne, Kent, ME10 4AE

Nature of business: Sawmilling and planing of wood

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.3.23	31.3.22
		£	£
Aggregate capital and reserves		1,445,325	1,005,961
Profit for the year		439,364	192,063
		<hr/>	<hr/>

**Dover Trussed Roof Company Limited – Company Number: 02507627**

Registered office: Bank Chambers, 1 Central Avenue, Sittingbourne, Kent, ME10 4AE

Nature of business: Sawmilling and planing of wood

	%		
Class of shares:	holding		
Ordinary	100.00		
		31.3.23	31.3.22
		£	£
Aggregate capital and reserves		1,314,001	945,746
Profit for the year		368,255	337,087
		<hr/>	<hr/>

**HARDWOOD LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2023****11. FIXED ASSET INVESTMENTS - continued****Calldene Limited - Company number: 02543794**

Registered office: Bank Chambers, 1 Central Avenue, Sittingbourne, Kent, ME10 4AE

Nature of business: Property rental and parent company

	% holding		
Class of shares:			
Ordinary	100.00		
		31.3.23	31.3.22
		£	£
Aggregate capital and reserves		1,300,448	1,171,389
Profit for the year		129,059	46,803

**Trade Fabrication Systems Limited - Company Number: 03523092**

Registered office: Chesford Park House, 18 Chesford Grange Woolston, Warrington, Cheshire, WA1 4RQ

Nature of business: Processing of wood panel products

	% holding		
Class of shares:			
Ordinary	100.00		
		31.3.23	31.3.22
		£	£
Aggregate capital and reserves		3,861,814	3,606,567
Profit for the year		255,247	484,525

**Watford Timber Mouldings Ltd - Company Number: 14289440**

Registered office: Building 1063 Cornforth Drive, Kent Science Park, Sittingbourne, Kent, United Kingdom, ME9 8PX

Nature of business: Sawmilling and planing of wood

	% holding	
Class of shares:		
Ordinary	100.00	
		31.3.23
		£
Aggregate capital and reserves		3,546
Profit for the year		3,545

Audit exemption has been claimed in respect of the entity's individual accounts in accordance with section 479A of the Companies Act 2006. Hardwood Limited has guaranteed all of the liabilities of the company.

**HARDWOOD LIMITED****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2023****11. FIXED ASSET INVESTMENTS - continued****TFS Bespoke Ltd** - *Company Number 12760495*

Registered office: Chesford Park House 18 Chesford Grange, Woolston, Warrington, Cheshire, United Kingdom, WA1 4RQ

Nature of business: Other manufacturing not elsewhere classified

	%	
Class of shares:	holding	
Ordinary	100.00	
		31.3.23
		£
Aggregate capital and reserves		(192,869)
Loss for the year		(192,969)

Audit exemption has been claimed in respect of the entity's individual accounts in accordance with section 479A of the Companies Act 2006. Hardwood Limited has guaranteed all of the liabilities of the company.

**12. STOCKS**

	Group	
	31.3.23	31.3.22
	£	£
Stocks	1,050,319	1,132,542

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Trade debtors	1,743,503	2,518,817	-	-
Amounts owed by group undertakings	-	-	410,517	293,280
Other debtors	169,540	115,922	11,903	20,523
Deferred tax asset	-	-	29,870	29,870
Prepayments and accrued income	-	132,039	-	-
	1,913,043	2,766,778	452,290	343,673



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

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Company</b>	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Bank loans and overdrafts (see note 16)	66,366	66,366	-	-
Other loans (see note 16)	61,495	55,392	-	-
Hire purchase contracts (see note 17)	3,736	11,842	-	-
Trade creditors	554,391	714,477	6,058	3,356
Amounts owed to associates	-	119,486	-	-
Other creditors	292,391	123,642	46	-
Other taxes and PAYE	493,207	598,482	22,323	13,091
Subsidiary company loan	-	-	450,000	450,000
Directors' Current Accounts	-	220,000	-	220,000
Accruals and deferred income	72,811	313,003	11,950	12,132
	<u>1,544,397</u>	<u>2,222,690</u>	<u>490,377</u>	<u>698,579</u>

Other loans are secured directly against the assets that funding has been advanced for.

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

	<b>Group</b>		<b>Company</b>	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Debentures (see note 16)	-	233,066	-	233,066
Bank loans (see note 16)	100,401	166,767	-	-
Other loans (see note 16)	56,389	117,884	-	-
Hire purchase contracts (see note 17)	-	5,134	-	-
	<u>156,790</u>	<u>522,851</u>	<u>-</u>	<u>233,066</u>

Debentures refers to 4% unsecured loan notes.

Other loans are secured directly against the assets that funding has been advanced for.

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

**16. LOANS**

An analysis of the maturity of loans is given below:

	<b>Group</b>		<b>Company</b>	
	31.3.23	31.3.22	31.3.23	31.3.22
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans - less than 1 yr	9,566	9,566	-	-
Mortgage - less than 1 year	56,800	56,800	-	-
Other loans - less than 1 yr	61,495	55,392	-	-
	<u>127,861</u>	<u>121,758</u>	<u>-</u>	<u>-</u>
Amounts falling due between one and two years:				
Debentures - 1-2 years	-	233,066	-	233,066
Bank loans - 1-2 years	9,808	9,808	-	-
Mortgage - 1-2 years	56,800	56,800	-	-
Other loans - 1-2 years	56,389	117,884	-	-
	<u>122,997</u>	<u>417,558</u>	<u>-</u>	<u>233,066</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	19,593	29,159	-	-
Mortgage - 2-5 years	14,200	71,000	-	-
	<u>33,793</u>	<u>100,159</u>	<u>-</u>	<u>-</u>

**17. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	31.3.23	31.3.22
	£	£
Net obligations repayable:		
Within one year	3,736	11,842
Between one and five years	-	5,134
	<u>3,736</u>	<u>16,976</u>

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

**17. LEASING AGREEMENTS - continued**

**Group**

	Non-cancellable operating leases	
	31.3.23	31.3.22
	£	£
Within one year	1,235,010	1,503,935
	<u>          </u>	<u>          </u>

**18. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>Group</b>	
	31.3.23	31.3.22
	£	£
Bank loans	166,767	233,133
	<u>          </u>	<u>          </u>

There is a legal mortgage in favour of National Westminster Bank Plc over Unit A, Commerce Way Industrial Estate, Lancing to secure amounts due to the bank.

There is also a fixed charge in favour of the bank over assets of the company and rents receivable from any lease granted out of the property.

There is a separate fixed and floating charge over assets of the company in favour of the bank in relation to any amounts due on the overdraft facility. At 31 March 2023 the overdraft facility was not in use.

There is a legal mortgage in favour of Yorkshire Bank Plc over Chesford Park House, 18 Chesford Grange, Woolston to secure amounts due to the bank.

**19. PROVISIONS FOR LIABILITIES**

	<b>Group</b>	
	31.3.23	31.3.22
	£	£
Deferred taxation	420,226	388,436
	<u>          </u>	<u>          </u>
<b>Group</b>		
		Deferred tax
		£
Balance at 1 April 2022		388,436
Provided during year		31,790
		<u>          </u>
Balance at 31 March 2023		420,226
		<u>          </u>

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

**19. PROVISIONS FOR LIABILITIES - continued**

**Company**

	Deferred tax £
Balance at 1 April 2022	(29,870)
Balance at 31 March 2023	<u>(29,870)</u>

**20. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.23 £	31.3.22 £
8,909	Ordinary	£1	8,909	8,909
2	B Ordinary	£1	<u>2</u>	<u>2</u>
			<u>8,911</u>	<u>8,911</u>

**21. RESERVES**

**Group**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2022	6,936,807	4,011	6,940,818
Profit for the year	<u>1,616,975</u>		<u>1,616,975</u>
At 31 March 2023	<u>8,553,782</u>	<u>4,011</u>	<u>8,557,793</u>

**Company**

	Retained earnings £	Capital redemption reserve £	Totals £
At 1 April 2022	709,707	4,011	713,718
Profit for the year	<u>1,278,488</u>		<u>1,278,488</u>
At 31 March 2023	<u>1,988,195</u>	<u>4,011</u>	<u>1,992,206</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2023****22. PENSION COMMITMENTS****Defined contribution schemes**

The group operates a defined contribution pension scheme for all qualifying employees.

The charge to profit and loss in respect of defined contribution schemes was £118,781 (2022: £114,196).

Included in creditors is £18,344 (2022: £18,337) of unpaid pension contributions at the year end.

**23. CAPITAL COMMITMENTS**

	31.3.23	31.3.22
	£	£
Contracted but not provided for in the financial statements	155,336	-

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

**24. RELATED PARTY DISCLOSURES**

Triad Timber Components Limited (TT), Dover Trussed Roof Company Limited (DT), Calldene Limited (CA) and Trade Fabrications Systems Limited (TF) are wholly owned subsidiaries of Hardwood Limited (HA). In 2023 Watford Timber Mouldings Ltd (WT) and TFS Bespoke Ltd (TSB) were wholly owned subsidiaries. The transactions and balance between the group companies during the year were as follows:

	31.03.2023	31.03.2022
	£	£
Inter - group transactions during the year:		
Property rental from CA to TT	78,000	78,000
Property rental from CA to DT	90,000	Nil
Management charges from TT to DT	85,000	85,000
Management charges from HA to TF	80,000	50,000
Management charges from TF to TFB	12,000	Nil
Management charges from HA to WT	11,996	Nil
Trade purchases from TT to DT	1,021,935	641,363
Trade purchases from DT to TT	734,076	514,338
Trade purchases from HA to DT	40,353	Nil
Trade purchases from HA to TT	38,960	Nil

Inter-group balances at the year end:

Owed to DT by TT (Trading)	243,904	228,608
Owed to TT from DT (Trading)	3,561	109,156
Owed to HA by TF (Trading)	96,000	Nil
Owed to HA by TT (Trading)	87	Nil
Owed to HA by WT (Trading)	30,000	Nil
Owed to WT by HA (Trading)	8,850	Nil
Owed to TF by TFB (Trading)	194,033	Nil
Owed to HA from TF (Prepayments)	Nil	50,000
Owed to TF by HA (Loan)	450,000	450,000
Owed to HA by CA (Loan)	293,280	293,280

Transactions with Directors:

3% Interest on loan from MJ Meyer to HA	71	6,600
Owed to MJ Meyer by HA (Loan)	Nil	220,000

**25. POST BALANCE SHEET EVENTS**

As at 10 November 2023 an agreement to sell the Hardwood Limited shares in Trade Fabrication Systems Limited was completed.

**26. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.