

**REGISTERED NUMBER: 05764775 (England and Wales)**

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
NIBE ENERGY SYSTEMS LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Statement of Profit and Loss and Other Comprehensive Income</b>	<b>9</b>
<b>Balance Sheet</b>	<b>10</b>
<b>Statement of Changes in Equity</b>	<b>11</b>
<b>Notes to the Financial Statements</b>	<b>12</b>

**NIBE ENERGY SYSTEMS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**DIRECTORS:**

P Hurley  
R Adderley  
J M Gunnarsson

**SECRETARY:**

P Hurley

**REGISTERED OFFICE:**

Unit 3c  
Broom Business Park  
Bridge Way  
Chesterfield  
Derbyshire  
S41 9QG

**REGISTERED NUMBER:**

05764775 (England and Wales)

**AUDITORS:**

Haines Watts Leeds LLP  
Chartered Accountants and Statutory Auditor  
Sterling House  
1 Sheepscar Court  
Meanwood Road  
Leeds  
LS7 2BB

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their strategic report for the year ended 31 December 2021.

**REVIEW OF BUSINESS**

Following a successful 2020 for sales, we saw continued growth in 2021 apart from the continued uncertain market due to Covid-19. This has been driven by UK Government commitment to Net Zero by 2050 and reducing its dependence on fossil fuels. However, due to the rapid recovery in the global economy, we have seen delays in components, delaying our capacity to supply certain products in the last few months of the year. However, we received record high levels of incoming orders at the end of the year.

**PRINCIPAL RISKS AND UNCERTAINTIES**

We will continue to see some product shortages at the beginning of 2022 and returning to normality by the summer. However, we expect our sales to continue to grow in 2022, with the UK Government committed to achieving Net Zero by 2050, the introduction of new Building Regulations in June and the introduction of the new Government Boiler Upgrade Scheme until at least 2025. NIBE have a very strong order book and we have invested in all areas to assist us in our future growth plans.

**KEY PERFORMANCE INDICATORS**

The directors consider turnover and profit after tax as the principle KPI used to measure overall company performance.

Key financial performance indicators during the period are as follows:

	2021	2020	% Change
Turnover	18,358,704	13,664,588	34.35
Operating Profit	2,545,577	1,971,497	29.12
Profit after tax	2,061,244	1,598,677	28.93
Current asset as percentage of current liabilities	322.12%	234.85%	
Average trade days	44.81	66.51	
Average number of employees	32	25	

**ON BEHALF OF THE BOARD:**

P Hurley - Secretary

6 April 2022

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report with the financial statements of the company for the year ended 31 December 2021.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the import and sale of geothermal heating systems.

**DIVIDENDS**

A final dividend of £6,000 per Ordinary Share was proposed for the year ended 31 December 2020 and paid during the year ended 31 December 2021.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

P Hurley  
R Adderley  
J M Gunnarsson

Other changes in directors holding office are as follows:

N Ronnang - resigned 31 December 2021

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

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

**NIBE ENERGY SYSTEMS LIMITED (REGISTERED NUMBER: 05764775)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

P Hurley - Secretary

6 April 2022

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NIBE ENERGY SYSTEMS LIMITED**

### **Opinion**

We have audited the financial statements of NIBE Energy Systems Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Profit and Loss and Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NIBE ENERGY SYSTEMS LIMITED**

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NIBE ENERGY SYSTEMS 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:

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.

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 and other management; and from our commercial knowledge and experience of the heating product sector
- 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 the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence; 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
- use of Data Analytics to identify risk areas to focus our work on

We assessed the susceptibility of the company's financial statements to 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; and
- understanding the design of the company's remuneration policies.

To address the risk of fraud through management bias and override of controls, including the impact on revenue recognition, 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 the notes to the financial statements were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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 disclosure 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, relevant regulators and the company's legal advisors.

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 NIBE ENERGY SYSTEMS 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.

Matthew Barton BA(Hons) FCA CTA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Leeds LLP  
Chartered Accountants and Statutory Auditor  
Leeds

24 June 2022

**NIBE ENERGY SYSTEMS LIMITED (REGISTERED NUMBER: 05764775)**

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>	3	18,358,704	13,664,588
Cost of sales		<u>12,621,499</u>	<u>9,274,324</u>
<b>GROSS PROFIT</b>		5,737,205	4,390,264
Administrative expenses		<u>3,224,264</u>	<u>2,517,758</u>
		2,512,941	1,872,506
Other operating income		<u>32,636</u>	<u>98,991</u>
<b>OPERATING PROFIT</b>		2,545,577	1,971,497
Interest receivable and similar income		<u>-</u>	<u>826</u>
<b>PROFIT BEFORE TAXATION</b>	5	2,545,577	1,972,323
Tax on profit	6	<u>484,333</u>	<u>373,646</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		2,061,244	1,598,677
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>2,061,244</u>	<u>1,598,677</u>

The notes form part of these financial statements

**NIBE ENERGY SYSTEMS LIMITED (REGISTERED NUMBER: 05764775)**

**BALANCE SHEET  
31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		108,894		80,159
<b>CURRENT ASSETS</b>					
Stocks	9	2,954,942		2,903,604	
Debtors	10	3,574,769		3,737,482	
Cash at bank and in hand		<u>2,166,042</u>		<u>1,296,521</u>	
		8,695,753		7,937,607	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>2,699,515</u>		<u>3,379,907</u>	
<b>NET CURRENT ASSETS</b>			<u>5,996,238</u>		<u>4,557,700</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			6,105,132		4,637,859
<b>PROVISIONS FOR LIABILITIES</b>	14		<u>18,095</u>		<u>12,066</u>
<b>NET ASSETS</b>			<u><u>6,087,037</u></u>		<u><u>4,625,793</u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		100		100
Retained earnings	16		<u>6,086,937</u>		<u>4,625,693</u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u>6,087,037</u></u>		<u><u>4,625,793</u></u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 6 April 2022 and were signed on its behalf by:

P Hurley - Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2020</b>	100	3,527,016	3,527,116
<b>Changes in equity</b>			
Dividends	-	(500,000)	(500,000)
Total comprehensive income	-	1,598,677	1,598,677
<b>Balance at 31 December 2020</b>	100	4,625,693	4,625,793
<b>Changes in equity</b>			
Dividends	-	(600,000)	(600,000)
Total comprehensive income	-	2,061,244	2,061,244
<b>Balance at 31 December 2021</b>	100	6,086,937	6,087,037

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. STATUTORY INFORMATION**

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

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Going concern**

The financial statements have been prepared on a going concern basis. The Directors have reviewed and considered relevant information, including the annual budget and future cash flows in making their assessment. In particular, in response to the COVID-19 pandemic, the Directors have tested their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they can take to mitigate the impact. Based on these assessments, given the measures that could be undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Significant judgements and estimates**

In determining the carrying amounts of certain assets and liabilities, the company makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The company's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. These include the assessment of provisions against stock.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% on cost and 25% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost and 20% on cost

Depreciation is charged from the month of purchase.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**Stocks**

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

Cost is based on the weighted average principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other cost incurred in bringing them to their existing location and condition.

**Debtors**

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

**Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Creditors**

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

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**Employee benefits**

Short term employee benefits, including holiday pay and other similar non monetary benefits, are recognised as an expense in the period in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**Foreign currencies**

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

**Operating lease commitments**

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

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

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

**Provisions**

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event that can be reliability measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

**3. TURNOVER**

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

All turnover arose from activities in the UK.

**4. EMPLOYEES AND DIRECTORS**

	2021	2020
	£	£
Wages and salaries	1,438,349	1,139,603
Social security costs	184,097	144,870
Other pension costs	45,020	43,738
	<u>1,667,466</u>	<u>1,328,211</u>

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

	2021	2020
Sales and marketing	<u>32</u>	<u>25</u>

	2021	2020
	£	£
Directors' remuneration	298,211	256,877
Directors' pension contributions to money purchase schemes	<u>20,512</u>	<u>19,331</u>

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

	2021	2020
Money purchase schemes	<u>2</u>	<u>2</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 4. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	2021	2020
	£	£
Emoluments etc	195,614	169,948
Pension contributions to money purchase schemes	<u>14,200</u>	<u>13,581</u>

## 5. PROFIT BEFORE TAXATION

The profit is stated after charging:

	2021	2020
	£	£
Other operating leases	132,983	88,533
Depreciation - owned assets	53,353	58,696
Auditors' remuneration	12,000	12,000
Previous auditor remuneration	-	14,032
Foreign exchange differences	<u>3,293</u>	<u>7,548</u>

## 6. TAXATION

## Analysis of the tax charge

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	478,304	381,266
Deferred tax	6,029	(7,620)
Tax on profit	<u>484,333</u>	<u>373,646</u>

UK corporation tax has been charged at 19% (2020 - 19%).

## Reconciliation of total tax charge included in profit and loss

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

	2021	2020
	£	£
Profit before tax	<u>2,545,577</u>	<u>1,972,323</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	483,660	374,741
Effects of:		
Expenses not deductible for tax purposes	1,027	756
Capital allowances in excess of depreciation	(354)	-
Adjustments to tax charge in respect of previous periods	-	(1,851)
Total tax charge	<u>484,333</u>	<u>373,646</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 7. DIVIDENDS

	2021 £	2020 £
Ordinary shares of £1 each		
Interim	<u>600,000</u>	<u>500,000</u>

## 8. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2021	285,846	259,147	5,339	183,941	734,273
Additions	<u>31,464</u>	<u>9,442</u>	<u>-</u>	<u>41,182</u>	<u>82,088</u>
At 31 December 2021	<u>317,310</u>	<u>268,589</u>	<u>5,339</u>	<u>225,123</u>	<u>816,361</u>
<b>DEPRECIATION</b>					
At 1 January 2021	246,363	236,315	4,290	167,146	654,114
Charge for year	<u>27,906</u>	<u>11,409</u>	<u>1,049</u>	<u>12,989</u>	<u>53,353</u>
At 31 December 2021	<u>274,269</u>	<u>247,724</u>	<u>5,339</u>	<u>180,135</u>	<u>707,467</u>
<b>NET BOOK VALUE</b>					
At 31 December 2021	<u>43,041</u>	<u>20,865</u>	<u>-</u>	<u>44,988</u>	<u>108,894</u>
At 31 December 2020	<u>39,483</u>	<u>22,832</u>	<u>1,049</u>	<u>16,795</u>	<u>80,159</u>

## 9. STOCKS

	2021 £	2020 £
Finished goods	<u>2,954,942</u>	<u>2,903,604</u>

## 10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	2,254,135	2,418,879
Amounts owed by group undertakings	22,310	99,440
Other debtors	156,103	140,857
Prepayments	<u>1,142,221</u>	<u>1,078,306</u>
	<u>3,574,769</u>	<u>3,737,482</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021	2020
	£	£
Trade creditors	385,549	1,273,694
Amounts owed to group undertakings	662,171	123,788
Corporation tax	612,686	383,118
Social security and other taxes	65,535	41,131
VAT	168,246	991,499
Other creditors	283,365	149,877
Pension creditor	13,249	-
Payroll creditors	-	290
Accruals and deferred income	508,714	416,510
	<u>2,699,515</u>	<u>3,379,907</u>

Group balances are repayable on demand and are interest free.

**12. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	212,621	124,124
Between one and five years	224,815	81,752
	<u>437,436</u>	<u>205,876</u>

**13. PENSION COMMITMENTS**

Pension liability of £13,249 was due at year end (2020 £nil) being December payroll costs due for payment in January 2022.

**14. PROVISIONS FOR LIABILITIES**

	2021	2020
	£	£
Deferred tax	<u>18,095</u>	<u>12,066</u>
		Deferred tax
		£
Balance at 1 January 2021		12,066
Charge to Statement of Profit and Loss and Other Comprehensive Income during year		6,029
Balance at 31 December 2021		<u>18,095</u>

The charge to the profit and loss account relates to capital allowances in excess of depreciation.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

**16. RESERVES**

	Retained earnings £
At 1 January 2021	4,625,693
Profit for the year	2,061,244
Dividends	<u>(600,000)</u>
At 31 December 2021	<u><u>6,086,937</u></u>

**17. ULTIMATE PARENT COMPANY**

The ultimate parent company is NIBE Industrier AB, a company incorporated in Sweden. Its registered address is Box 14, SE-285 21 Markaryd, Sweden.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is NIBE Industrier AB. Consolidated accounts are available from NIBE Industrier AB, Box 14, Järnvägsgränd 40, 285 21 Markaryd, Sweden or [www.nibe.com](http://www.nibe.com).

**18. RELATED PARTY DISCLOSURES**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with its parent and fellow subsidiary undertakings.

**19. ULTIMATE CONTROLLING PARTY**

The controlling party is NIBE AB, a company incorporated in Sweden.

The ultimate controlling party is NIBE Industrier AB, a company incorporated in Sweden.

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