

Company Registration No. 08314740 (England and Wales)

S B JOINERY (UK) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
PAGES FOR FILING WITH REGISTRAR

S B JOINERY (UK) LIMITED

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S B JOINERY (UK) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Non-current assets					
Property, plant and equipment	4		678,847		714,172
Current assets					
Inventories		43,887		39,971	
Trade and other receivables	5	3,785,258		2,556,558	
Cash and cash equivalents		662,439		981,283	
		<u>4,491,584</u>		<u>3,577,812</u>	
Current liabilities	6	<u>(1,691,563)</u>		<u>(1,154,311)</u>	
Net current assets			<u>2,800,021</u>		<u>2,423,501</u>
Total assets less current liabilities			<u>3,478,868</u>		<u>3,137,673</u>
Non-current liabilities	7		(1,469,771)		(1,482,540)
Provisions for liabilities			<u>(67,970)</u>		<u>(77,411)</u>
Net assets			<u><u>1,941,127</u></u>		<u><u>1,577,722</u></u>
Equity					
Called up share capital			100,030		100,030
Retained earnings			<u>1,841,097</u>		<u>1,477,692</u>
Total equity			<u><u>1,941,127</u></u>		<u><u>1,577,722</u></u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 5 March 2021 and are signed on its behalf by:

Mr S Brown
Director

Mrs D H Brown
Director

Company Registration No. 08314740

S B JOINERY (UK) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	13	525,040		1,473,889	
Interest paid		(101,854)		(68,124)	
Income taxes paid		(10,538)		(66,604)	
Net cash inflow from operating activities		412,648		1,339,161	
Investing activities					
Purchase of property, plant and equipment		(177,108)		(207,912)	
Net cash used in investing activities		(177,108)		(207,912)	
Financing activities					
Repayment of borrowings		(443,591)		241,008	
Proceeds of new bank loans		480,000		-	
Repayment of bank loans		(41,373)		140,661	
Payment of finance leases obligations		8,263		(76,859)	
Dividends paid		(741,091)		(678,792)	
Net cash used in financing activities		(737,792)		(373,982)	
Net (decrease)/increase in cash and cash equivalents		(502,252)		757,267	
Cash and cash equivalents at beginning of year		981,283		224,016	
Cash and cash equivalents at end of year		479,031		981,283	
Relating to:					
Cash at bank and in hand		662,439		981,283	
Bank overdrafts included in creditors payable within one year		(183,408)		-	

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

S B Joinery (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 33 The Clarendon Centre, Salisbury Business Park, Dairy Meadow Lane, Salisbury, Wiltshire, SP1 2TJ.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors have considered the company's future financial performance given the current impact of the coronavirus pandemic. Given the financial resources available and the expected profitable out-turn of contracts, the company has taken advantage of the support measures available from the Government, which will enable it to continue to meet its liabilities as they fall due.

1.3 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and settlement discounts.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses 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 written off in equal annual instalments over its useful economic life.

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.6 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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:

Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

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 Impairment of non-current assets

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 (or cash-generating unit) 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 (or cash-generating unit) 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.

1.8 Inventories

Inventories 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 inventories to their present location and condition.

1.9 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.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

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.

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.10 Cash and cash equivalents

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.

1.11 Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

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 company after deducting all of its liabilities.

1.12 Equity instruments

Equity instruments issued by the company 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 company.

1.13 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 income statement 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.15 Retirement benefits

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

1.16 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 statement of financial position 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 leases asset are consumed.

1.17 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.

2 Employees

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

	2020 Number	2019 Number
Total	126	126

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2019 and 31 March 2020	605,000
Amortisation and impairment	
At 1 April 2019 and 31 March 2020	605,000
Carrying amount	
At 31 March 2020	-
At 31 March 2019	-

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Property, plant and equipment

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2019	1,083,871	514,479	222,277	1,820,627
Additions	110,079	67,029	-	177,108
At 31 March 2020	1,193,950	581,508	222,277	1,997,735
Depreciation and impairment				
At 1 April 2019	737,881	238,038	130,536	1,106,455
Depreciation charged in the year	101,780	81,331	29,322	212,433
At 31 March 2020	839,661	319,369	159,858	1,318,888
Carrying amount				
At 31 March 2020	354,289	262,139	62,419	678,847
At 31 March 2019	345,990	276,441	91,741	714,172

5 Trade and other receivables

	2020	2019
	£	£
Amounts falling due within one year:		
Trade receivables	1,893,300	1,896,654
Corporation tax recoverable	34,494	-
Other receivables	1,857,464	659,904
	3,785,258	2,556,558

6 Current liabilities

	2020	2019
	£	£
Bank loans and overdrafts	242,724	27,752
Trade payables	996,871	600,740
Corporation tax	-	112,614
Other taxation and social security	281,574	245,893
Other payables	170,394	167,312
	1,691,563	1,154,311

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Non-current liabilities

	2020 £	2019 £
Bank loans and overdrafts	519,972	112,909
Other payables	949,799	1,369,631
	<u>1,469,771</u>	<u>1,482,540</u>

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Robert MacDonald.
The auditor was Moore (South) LLP.

9 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for its property and for its vehicles on lease arrangements. Leases on the motor vehicles are negotiated for an average term of 3 years and rentals are fixed for an average of 3 years. The property lease is ongoing with no fixed term.

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

	2020 £	2019 £
	<u>106,481</u>	<u>193,034</u>

10 Related party transactions

Remuneration of key management personnel

	2020 £	2019 £
Aggregate compensation	<u>69,056</u>	<u>64,584</u>

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2020 £	2019 £
Amounts due to related parties		
Brown Property Investments Limited	1,302	-

The related party balance relates to Brown Property Investments Limited which is a company wholly owned by the directors.

The group has taken advantage of the exemption under FRS 102 to not disclose transactions with related parties which are 100% owned within a group.

11 Directors' transactions

The following amounts were outstanding at the reporting end date:

Dividends totalling £665,000 (2019 - £0) were paid in the year in respect of shares held by the company's directors.

12 Parent company

The parent company of SB Joinery Installations (UK) Limited is SB Joinery Holdings Limited and its registered office is 33 The Clarendon Centre Salisbury Business Park, Dairy Meadow Lane, Salisbury England, SP1 2TJ

13 Cash generated from operations

	2020 £	2019 £
Profit for the year after tax	1,104,496	856,876
Adjustments for:		
Taxation (credited)/charged	(146,011)	125,529
Finance costs	101,854	68,124
Amortisation and impairment of intangible assets	-	121,000
Depreciation and impairment of property, plant and equipment	212,433	203,891
Movements in working capital:		
Increase in inventories	(3,916)	(4,230)
(Increase)/decrease in trade and other receivables	(1,194,206)	68,283
Increase in trade and other payables	450,390	34,416
Cash generated from operations	525,040	1,473,889

S B JOINERY (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

14 Analysis of changes in net debt

	1 April 2019	Cash flows 31 March 2020	
	£	£	£
Cash at bank and in hand	981,283	(318,844)	662,439
Bank overdrafts	-	(183,408)	(183,408)
	<u>981,283</u>	<u>(502,252)</u>	<u>479,031</u>
Borrowings excluding overdrafts	(1,505,950)	4,964	(1,500,986)
Obligations under finance leases	(41,928)	(8,263)	(50,191)
	<u>(566,595)</u>	<u>(505,551)</u>	<u>(1,072,146)</u>

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.