

Unaudited Financial Statements
for the Year Ended 31st March 2022
for
MONWAY WOODFUEL LIMITED

**Contents of the Financial Statements
for the year ended 31st March 2022**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

DIRECTOR: M Wilkes

REGISTERED OFFICE: Unit 9, Zone 3
Burntwood Business Park
Smiths Close
Burntwood
West Midlands
WS7 3FT

REGISTERED NUMBER: 09364431 (England and Wales)

ACCOUNTANTS: DJH Mitten Clarke
(The practising name of
Baker (Midlands) Limited)
3rd Floor
International House
Hatherton Street
Walsall
WS4 2LA

Balance Sheet
31st March 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	4		189,117		72,579
CURRENT ASSETS					
Stocks	5	321,237		220,030	
Debtors	6	355,987		265,305	
Cash at bank and in hand		<u>45,272</u>		<u>45,780</u>	
		722,496		531,115	
CREDITORS					
Amounts falling due within one year	7	<u>732,372</u>		<u>544,794</u>	
NET CURRENT LIABILITIES			(9,876)		(13,679)
TOTAL ASSETS LESS CURRENT LIABILITIES			179,241		58,900
CREDITORS					
Amounts falling due after more than one year	8		(105,944)		(49,167)
PROVISIONS FOR LIABILITIES			(29,767)		(5,868)
NET ASSETS			<u>43,530</u>		<u>3,865</u>
CAPITAL AND RESERVES					
Called up share capital	11		120		120
Retained earnings			<u>43,410</u>		<u>3,745</u>
SHAREHOLDERS' FUNDS			<u>43,530</u>		<u>3,865</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31st March 2022

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 21st December 2022 and were signed by:

M Wilkes - Director

Notes to the Financial Statements
for the year ended 31st March 2022

1. **STATUTORY INFORMATION**

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities. This assumes the continued support of the directors and creditors.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £1.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates.

Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and machinery	- 10% cost
Fixtures and fittings	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Short leasehold	- 20% cost

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Notes to the Financial Statements - continued
for the year ended 31st March 2022

2. **ACCOUNTING POLICIES - continued**

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

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

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

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

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Notes to the Financial Statements - continued
for the year ended 31st March 2022

2. ACCOUNTING POLICIES - continued

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Cash and cash equivalents

Cash comprise cash in hand and demand deposits. Cash equivalents are short-term, 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 an insignificant risk of change in value.

Provisions

Provisions are recognised when the company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 15 (2021 - 12) .

Notes to the Financial Statements - continued
for the year ended 31st March 2022

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1st April 2021	11,276	114,572	125,848
Additions	-	147,979	147,979
Disposals	-	(3,500)	(3,500)
At 31st March 2022	<u>11,276</u>	<u>259,051</u>	<u>270,327</u>
DEPRECIATION			
At 1st April 2021	6,145	47,124	53,269
Charge for year	2,255	27,217	29,472
Eliminated on disposal	-	(1,531)	(1,531)
At 31st March 2022	<u>8,400</u>	<u>72,810</u>	<u>81,210</u>
NET BOOK VALUE			
At 31st March 2022	<u>2,876</u>	<u>186,241</u>	<u>189,117</u>
At 31st March 2021	<u>5,131</u>	<u>67,448</u>	<u>72,579</u>

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

	Plant and machinery etc £
COST	
At 1st April 2021	62,618
Additions	103,530
Transfer to ownership	(62,618)
At 31st March 2022	<u>103,530</u>
DEPRECIATION	
At 1st April 2021	20,351
Charge for year	10,353
Transfer to ownership	(20,351)
At 31st March 2022	<u>10,353</u>
NET BOOK VALUE	
At 31st March 2022	<u>93,177</u>
At 31st March 2021	<u>42,267</u>

Notes to the Financial Statements - continued
for the year ended 31st March 2022

5. STOCKS	2022 £	2021 £
Stocks	<u>321,237</u>	<u>220,030</u>
6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022 £	2021 £
Trade debtors	292,454	210,242
Other debtors	<u>63,533</u>	<u>55,063</u>
	<u>355,987</u>	<u>265,305</u>
Included in other debtors are prepayments totalling £31,283 (2021: £13,399).		
7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022 £	2021 £
Bank loans and overdrafts	10,000	833
Hire purchase contracts (see note 9)	18,635	4,418
Trade creditors	138,806	104,751
Taxation and social security	284,723	247,200
Other creditors	<u>280,208</u>	<u>187,592</u>
	<u>732,372</u>	<u>544,794</u>
Included in other creditors are accruals amounting to £20,377 (2021: £6,874)		
8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2022 £	2021 £
Bank loans	39,167	49,167
Hire purchase contracts (see note 9)	<u>66,777</u>	-
	<u>105,944</u>	<u>49,167</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>-</u>	<u>9,167</u>

Notes to the Financial Statements - continued
for the year ended 31st March 2022

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 2022 £	2021 £
Net obligations repayable:		
Within one year	18,635	4,418
Between one and five years	66,777	-
	<u>85,412</u>	<u>4,418</u>

	Non-cancellable operating leases 2022 £	2021 £
Within one year	32,500	-
Between one and five years	97,500	-
	<u>130,000</u>	<u>-</u>

10. SECURED DEBTS

The following secured debts are included within creditors:

	2022 £	2021 £
Hire purchase contracts	85,412	4,418
Invoice discounting	298,717	171,024
	<u>384,129</u>	<u>175,442</u>

Advances from the invoice discounter are secured by fixed and floating charges.

The hire purchase indebtedness is secured on the relevant assets.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
120	Ordinary	£1	<u>120</u>	<u>120</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.