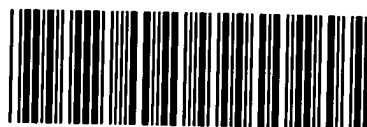


Company registration number 10164974 (England and Wales)

**SB JOINERY HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 DECEMBER 2022**

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COMPANIES HOUSE

# **SB JOINERY HOLDINGS LIMITED**

## **COMPANY INFORMATION**

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**Directors**

Mr S Brown  
Mrs D H Brown  
Mr R Brown  
Mr R D Brown  
Mr D Brown  
Mrs J Brown  
Mrs K L Brown  
Mrs L Brown

**Company number**

10164974

**Registered office**

Danebury Works  
Middle Wallop  
Stockbridge  
Hampshire  
SO20 8HQ

**Auditor**

Moore (South) LLP  
33 The Clarendon Centre  
Salisbury Business Park  
Dairy Meadow Lane  
Salisbury  
Wiltshire  
SP1 2TJ

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# **SB JOINERY HOLDINGS LIMITED**

## **CONTENTS**

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	<b>Page</b>
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4 - 7
Group statement of income and retained earnings	8
Group statement of financial position	9
Company statement of financial position	10
Group statement of cash flows	11
Notes to the financial statements	12 - 27

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# **SB JOINERY HOLDINGS LIMITED**

## **STRATEGIC REPORT**

**FOR THE PERIOD ENDED 30 DECEMBER 2022**

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The directors present the strategic report for the period ended 30 December 2022.

### **Review of the business**

The consolidated results presented are broadly in line with the expectations of the Directors.

The group has continued to provide customers with superior joinery products, assisting them with their investment, through detailed craftsmanship, dedicated service and insistence on quality. The group retained its focus on its core three sectors of windows & doors, staircases and cabinetry. Turnover decreased as the market has suffered some uncertainty and delays, however it is expected to return to previous levels.

The group recognises their environmental obligations, by taking care to source timber from properly managed forests and to use water borne coatings that eliminate odours and provides a more durable finish.

The directors expect the group to return to its growth in 2023 but the related profit forecast has been revised down in recognition of the increase in raw material prices, cost of living crisis and the resulting pressure on margins.

The group made dividend payments in the year.

Manufacturing and installation capacity was maintained during the year and can accommodate all pending and targeted contracts. The group also continues its investment in research and development to achieve the optimum technical solution for customer needs.

### **Principal risks and uncertainties**

The principle business risks associated with property construction are market risk and health and safety risk.

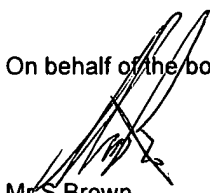
Market risk arises in potential economic downturn and the demand for our products. This risk is managed by the group's internal property team.

Health and safety arises in the nature of the work involved in construction. The group has a health and safety team responsible for ensuring legislation is complied with to ensure the safety of people both on site and in the office.

### **Key performance indicators**

The group's key performance indicators are those that communicate the financial performance and strength of the group, these being turnover and net profit.

On behalf of the board



**Mrs S Brown**  
**Director**

27 December 2023

# **SB JOINERY HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE PERIOD ENDED 30 DECEMBER 2022**

---

The directors present their annual report and financial statements for the period ended 30 December 2022.

#### **Principal activities**

The principal activity of the company and group continued to be that of design, build and install superior joinery related products through detailed craftsmanship, dedicated service and quality.

#### **Results and dividends**

The results for the period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Directors**

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

Mr S Brown  
Mrs D H Brown  
Mr R Brown  
Mr R D Brown  
Mr D Brown  
Mrs J Brown  
Mrs K L Brown  
Mrs L Brown

#### **Auditor**

The auditors, Moore (South) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.


#### **Statement of disclosure to auditor**

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

#### **Medium-sized companies exemption**

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board



Mr S Brown  
Director

27 December 2023

# **SB JOINERY HOLDINGS LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE PERIOD ENDED 30 DECEMBER 2022***

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

# **SB JOINERY HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF SB JOINERY HOLDINGS LIMITED**

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#### **Opinion**

We have audited the financial statements of SB Joinery Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 30 December 2022 which comprise the group statement of income and retained earnings, the group statement of financial position, the company statement of financial position, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 December 2022 and of the group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

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

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

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

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

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

# **SB JOINERY HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF SB JOINERY HOLDINGS LIMITED**

---

#### **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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

#### **Explanation as to what extent the audit was capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company and group.



# **SB JOINERY HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF SB JOINERY HOLDINGS LIMITED**

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Our approach was as follows:

- The engagement partner selected a team for the audit, led by persons who had prior knowledge of the client and who had the required competence and skills to be able to identify or recognise non-compliance with laws and regulations.
- We assessed the risk of irregularities as part of our audit planning, and ongoing review, including those due to fraud. Management override was identified as a significant risk. This is due to the ability to bypass controls and disclosure requirements.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with responsibility for ensuring legal and regulatory compliance is adhered to and considered the internal controls in place to mitigate identified risks.
- In addition to the possibility of management override of controls, revenue recognition and cut off was considered a significant risk to the presentation of information in the financial statements
- We assessed the control environment, documenting the systems, controls and processes adopted and undertook an assessment of risks identified in designing our audit approach, which incorporated a combination of tests of controls, analytical review and substantive procedures involving tests of transactions and balances. Any irregularities noted were discussed with management and those charged with governance and we obtained additional corroborative evidence as required.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and group and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the company and group complies with these requirements through discussions with management and those charged with governance. We also reviewed available correspondence with regulators to identify any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We obtained an understanding and assessed the impact of the Covid-19 pandemic on the operations of the business and adapted our audit approach accordingly. We enquired and obtained evidence to support the going concern assumption in the preparation of the financial statements and dovetailed this with knowledge gained from our audit work.

In response to the risk of fraud through management override we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify any unusual transactions;
- assessed whether judgements and assumptions made by management in determining accounting estimates were indicative of potential bias including provisions over loss making contracts, retention and bad debts;
- reviewed transactions with related parties, in particular with group entities and transactions with directors; and
- reviewed the disclosures in the financial statements to ensure that they meet the requirements of financial reporting standards and relevant legislation.

In response to the risk of fraud through revenue recognition policies, we:

- conducted analytical procedures to identify any unusual variations and possible bias;
- reviewed the systems and control processes operated and tested a sample of transactions to confirm that these processes were operating as intended;
- Agreed a sample of sales orders placed from source documentation into the accounting records;
- reviewed the transactions around the end of the period to assess whether these were reflected in line with the accounting policy in terms of using the percentage of completion method with comparison to cost incurred and applications approved by quantity surveyors; and
- tested cut off procedures including a review of transactions after the balance sheet date

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 mis-statements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

# **SB JOINERY HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF SB JOINERY HOLDINGS 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Robert MacDonald (Senior Statutory Auditor)**  
**For and on behalf of Moore (South) LLP**

27 December 2023

**Chartered Accountants**  
**Statutory Auditor**

33 The Clarendon Centre  
Salisbury Business Park  
Dairy Meadow Lane  
Salisbury  
Wiltshire  
SP1 2TJ

# SB JOINERY HOLDINGS LIMITED

## GROUP STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE PERIOD ENDED 30 DECEMBER 2022

		Period ended 30 December 2022 £	Year ended 31 March 2022 £
	Notes		
<b>Revenue</b>	<b>3</b>	9,463,108	13,453,530
Cost of sales		(6,544,867)	(9,371,039)
<b>Gross profit</b>		<b>2,918,241</b>	<b>4,082,491</b>
Administrative expenses		(2,888,709)	(3,731,304)
Other operating income		4,870	3,404
<b>Operating profit</b>	<b>4</b>	<b>34,402</b>	<b>354,591</b>
Investment income	<b>7</b>	1,665	144
Finance costs	<b>8</b>	(78,681)	(57,587)
<b>(Loss)/profit before taxation</b>		<b>(42,614)</b>	<b>297,148</b>
Tax on (loss)/profit	<b>9</b>	132,536	301,141
<b>Profit for the financial period</b>		<b>89,922</b>	<b>598,289</b>
Retained earnings brought forward		2,338,003	2,286,614
Dividends		(55,800)	(546,900)
<b>Retained earnings carried forward</b>		<b>2,372,125</b>	<b>2,338,003</b>

Profit for the financial period is all attributable to the owners of the parent company.

Total comprehensive income for the period is all attributable to the owners of the parent company.

# SB JOINERY HOLDINGS LIMITED

## GROUP STATEMENT OF FINANCIAL POSITION

AS AT 30 DECEMBER 2022

		30 December 2022		31 March 2022	
	Notes	£	£	£	£
<b>Non-current assets</b>					
Property, plant and equipment	12		1,020,521		834,642
<b>Current assets</b>					
Inventories	15	323,892		270,410	
Trade and other receivables	16	4,319,458		4,008,014	
Cash and cash equivalents		195,375		1,437,334	
		<u>4,838,725</u>		<u>5,715,758</u>	
<b>Current liabilities</b>	17	(2,461,956)		(2,306,948)	
<b>Net current assets</b>			2,376,769		3,408,810
<b>Total assets less current liabilities</b>			<u>3,397,290</u>		<u>4,243,452</u>
<b>Non-current liabilities</b>	18		(780,803)		(1,718,084)
<b>Provisions for liabilities</b>					
Deferred tax liability	21	144,332		87,335	
		<u>(144,332)</u>		<u>(87,335)</u>	
<b>Net assets</b>			<u>2,472,155</u>		<u>2,438,033</u>
<b>Equity</b>					
Called up share capital	24	100,030		100,030	
Retained earnings		2,372,125		2,338,003	
<b>Total equity</b>		<u>2,472,155</u>		<u>2,438,033</u>	

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 27 December 2023 and are signed on its behalf by:

  
 Mr S Brown  
 Director

Company registration number 10164974 (England and Wales)

# SB JOINERY HOLDINGS LIMITED

## COMPANY STATEMENT OF FINANCIAL POSITION AS AT 30 DECEMBER 2022

		30 December 2022		31 March 2022	
	Notes	£	£	£	£
<b>Non-current assets</b>					
Investments	13		200,000		200,000
<b>Current assets</b>					
Trade and other receivables	16	469,682		381,431	
Cash and cash equivalents		195,352		1,436,311	
		<u>665,034</u>		<u>1,817,742</u>	
<b>Current liabilities</b>	17	(172,799)		(151,836)	
<b>Net current assets</b>			492,235		1,665,906
<b>Total assets less current liabilities</b>			692,235		1,865,906
<b>Non-current liabilities</b>	18	(546,334)		(1,664,966)	
<b>Net assets</b>			145,901		200,940
<b>Equity</b>					
Called up share capital	24	100,000		100,000	
Retained earnings		45,901		100,940	
<b>Total equity</b>		145,901		200,940	

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £55,039 (31.3.2022 - £473,440 profit).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 27 December 2023 and are signed on its behalf by:

  
Mr S Brown  
Director

Company registration number 10164974 (England and Wales)

# SB JOINERY HOLDINGS LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 DECEMBER 2022

	Notes	30.12.2022 £	£	31.3.2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27	31,109		222,420	
Interest paid		(78,681)		(57,587)	
Income taxes refunded		20,204		30,849	
<b>Net cash (outflow)/inflow from operating activities</b>		(27,368)		195,682	
<b>Investing activities</b>					
Purchase of property, plant and equipment		(334,815)		(253,703)	
Proceeds from disposal of property, plant and equipment		1,457		63,891	
Interest received		1,665		144	
<b>Net cash used in investing activities</b>		(331,693)		(189,668)	
<b>Financing activities</b>					
Proceeds from borrowings		226,962		-	
Repayment of borrowings		(1,118,632)		632,050	
Repayment of bank loans		-		(350,000)	
Payment of finance leases obligations		(59,810)		(237,380)	
Dividends paid to equity shareholders		(55,800)		(546,900)	
<b>Net cash used in financing activities</b>		(1,007,280)		(502,230)	
<b>Net decrease in cash and cash equivalents</b>		(1,366,341)		(496,216)	
Cash and cash equivalents at beginning of period		984,631		1,480,847	
<b>Cash and cash equivalents at end of period</b>		(381,710)		984,631	
<b>Relating to:</b>					
Cash at bank and in hand		195,375		1,437,334	
Bank overdrafts included in creditors payable within one year		(577,085)		(452,703)	

# **SB JOINERY HOLDINGS LIMITED**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS**

### **FOR THE PERIOD ENDED 30 DECEMBER 2022**

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#### **1 Accounting policies**

##### **Company information**

SB Joinery Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Danebury Works, Middle Wallop, Stockbridge, Hampshire, SO20 8HQ.

The group consists of SB Joinery Holdings Limited and all of its subsidiaries.

##### **1.1 Reporting period**

The group has shortened their accounting reference date to 30 December, therefore these financial statements are for a period of nine months and not entirely comparable with that of the previous period. The Directors chose to shorten the year end to bring the financial year inline with their trading year.

##### **1.2 Accounting convention**

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

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

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

##### **1.3 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company SB Joinery Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

##### **1.4 Going concern**

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

The directors have considered the group's future financial performance given the in year impact of project delays following the coronavirus pandemic and post year end change in the UK economy. Given the financial resources available and the expected profitable out-turn of contracts, the company will be able to continue to meet its liabilities as they fall due.

##### **1.5 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.

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 1 Accounting policies

(Continued)

#### 1.6 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.

#### 1.7 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 equipment	25% reducing balance
Fixtures and fittings	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 recognised in the income statement.

#### 1.8 Non-current investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

#### 1.9 Impairment of non-current assets

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

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

#### 1.10 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.

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



# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

---

### 1 Accounting policies

(Continued)

#### 1.11 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.

#### 1.12 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.

#### 1.13 Financial instruments

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

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

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

##### **Classification of financial liabilities**

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

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

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

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

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

#### **1.14 Equity instruments**

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

#### **1.15 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 group'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. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.16 Employee benefits**

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

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

#### **1.17 Retirement benefits**

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

# **SB JOINERY HOLDINGS LIMITED**

## **NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)** **FOR THE PERIOD ENDED 30 DECEMBER 2022**

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### **1 Accounting policies**

**(Continued)**

#### **1.18 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 leased asset are consumed.

#### **1.19 Government grants**

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

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

#### **1.20 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.

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 2 Judgements and key sources of estimation uncertainty

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

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

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Construction contract revenue

Recognised amounts of construction contract revenues and related receivables reflect management's best estimate of each contract's outcome and stage of completion. This includes the assessment of profitability of on-going construction contracts. No provision has been made as it is believed that all ongoing contracts at the year end are profit making. For complex contracts, cost to complete and the contract profitability are subject to significant estimation uncertainty.

#### Recoverability of trade debtor balances

The directors consider the recoverability of the company's trade debtor balances in the balance as at 30 December 2022. Based on the review of post year end receipts and discussions with key customers, the directors are satisfied with the recoverability and that there is adequate provision for any possible bad debts. The provision for bad debts is based on the best available facts and circumstances including the length of the business relationship and ongoing discussions with the customer.

#### Retention provision

There are retentions on projects where customers are able to claim against the group if there were any issues with the installation or the product. The list of outstanding retentions recognised as income was reviewed at the year end and a judgement was made regarding the value of recoverable amounts and the estimated costs to resolve any ongoing issues. It was deemed that no provision was required. The decision was based on current correspondence with customers and an ongoing complaints, a review of historic data did not identify any issues.

### 3 Revenue

	30.12.2022 £	31.3.2022 £
<b>Revenue analysed by class of business</b>		
Sale of services	9,463,108	13,453,530
	<u>          </u>	<u>          </u>
	30.12.2022 £	31.3.2022 £
<b>Other significant revenue</b>		
Interest income	1,665	144
Grants received	-	3,404
	<u>          </u>	<u>          </u>

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 4 Operating profit

	30.12.2022	31.3.2022
	£	£
Operating profit for the period is stated after charging/(crediting):		
Government grants	-	(3,404)
Depreciation of owned property, plant and equipment	189,468	240,392
(Profit)/loss on disposal of property, plant and equipment	(30)	28,632
Operating lease charges	275,528	367,545
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	30.12.2022	31.3.2022
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	15,175	14,500
Audit of the financial statements of the company's subsidiaries	30,052	28,778
	<u>          </u>	<u>          </u>
	45,227	43,278
	<u>          </u>	<u>          </u>

Fees paid to the group's auditor for the statutory audit of the company are paid by a subsidiary on behalf of the group. The balances disclosed above relate to the total audit fee for the group as it is impractical to split this by company. The cost of the company audit is included within this total.

### 6 Employees

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

	Group		Company	
	30.12.2022	31.3.2022	30.12.2022	31.3.2022
	Number	Number	Number	Number
Directors	14	9	-	-
Administration	25	23	-	-
Production	82	82	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	121	114	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 6 Employees

(Continued)

Their aggregate remuneration comprised:

	Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
Wages and salaries	3,449,030	4,284,259	-	-
Social security costs	372,288	428,208	-	-
Pension costs	64,685	78,804	-	-
	<u>3,886,003</u>	<u>4,791,271</u>	<u>-</u>	<u>-</u>

### 7 Investment income

	30.12.2022 £	31.3.2022 £
<b>Interest income</b>		
Interest on bank deposits	1,665	144
	<u>1,665</u>	<u>144</u>

Investment income includes the following:

	30.12.2022 £	31.3.2022 £
Interest on financial assets not measured at fair value through profit or loss	1,665	144
	<u>1,665</u>	<u>144</u>

### 8 Finance costs

	30.12.2022 £	31.3.2022 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Other interest on financial liabilities	62,432	51,836
<b>Other finance costs:</b>		
Interest on finance leases and hire purchase contracts	6,644	5,751
Other interest	9,605	-
	<u>78,681</u>	<u>57,587</u>
Total finance costs	<u>78,681</u>	<u>57,587</u>

### 9 Taxation

	30.12.2022 £	31.3.2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	(127,173)	(260,670)
Adjustments in respect of prior periods	-	(127,806)
	<u>(127,173)</u>	<u>(388,476)</u>
Total current tax	<u>(127,173)</u>	<u>(388,476)</u>

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 9 Taxation

(Continued)

	30.12.2022 £	31.3.2022 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	(5,363)	87,335
	<u>          </u>	<u>          </u>
Total tax credit	(132,536)	(301,141)
	<u>          </u>	<u>          </u>

The actual credit for the period can be reconciled to the expected (credit)/charge for the period based on the profit or loss and the standard rate of tax as follows:

	30.12.2022 £	31.3.2022 £
(Loss)/profit before taxation	(42,614)	297,148
	<u>          </u>	<u>          </u>
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (31.3.2022: 19.00%)	(8,097)	56,458
Unutilised tax losses carried forward	21,424	-
Adjustments in respect of prior years	15,834	(96,958)
Permanent capital allowances in excess of depreciation	(34,524)	(87,306)
Research and development tax credit	(127,173)	(260,670)
	-	87,335
	<u>          </u>	<u>          </u>
Taxation credit	(132,536)	(301,141)
	<u>          </u>	<u>          </u>

### 10 Dividends

	30.12.2022 £	31.3.2022 £
Recognised as distributions to equity holders:		
Final paid	-	472,500
	<u>          </u>	<u>          </u>

### 11 Intangible fixed assets

<b>Group</b>	<b>Goodwill</b>
	£
<b>Cost</b>	
At 1 April 2022 and 30 December 2022	605,000
	<u>          </u>
<b>Amortisation and impairment</b>	
At 1 April 2022 and 30 December 2022	605,000
	<u>          </u>

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 11 Intangible fixed assets

(Continued)

#### Carrying amount

At 30 December 2022

-

At 31 March 2022

-

The company had no intangible fixed assets at 30 December 2022 or 31 March 2022.

### 12 Property, plant and equipment

Group	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2022	1,555,892	612,059	298,780	2,466,731
Additions	77,089	266,477	33,208	376,774
Disposals	-	(1,457)	-	(1,457)
At 30 December 2022	1,632,981	877,079	331,988	2,842,048
<b>Depreciation and impairment</b>				
At 1 April 2022	1,050,031	449,822	132,236	1,632,089
Depreciation charged in the period	106,274	43,467	39,727	189,468
Eliminated in respect of disposals	-	(30)	-	(30)
At 30 December 2022	1,156,305	493,259	171,963	1,821,527
<b>Carrying amount</b>				
At 30 December 2022	476,676	383,820	160,025	1,020,521
At 31 March 2022	505,861	162,237	166,544	834,642

The company had no property, plant and equipment at 30 December 2022 or 31 March 2022.

The group net book value includes £154,616 (31.3.2022 - £153,472) in respect of assets held under hire purchase contracts or finance leases.

### 13 Fixed asset investments

		Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
	Notes				
Investments in subsidiaries	14	-	-	200,000	200,000



# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 13 Fixed asset investments (Continued)

#### Movements in non-current investments Company

Shares in  
subsidiaries  
£

#### Cost or valuation

At 1 April 2022 and 30 December 2022

200,000

#### Carrying amount

At 30 December 2022

200,000

At 31 March 2022

200,000

### 14 Subsidiaries

Details of the company's subsidiaries at 30 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
S B joinery (UK) Limited	33 The Clarendon Centre, Salisbury Business Park Dairy Meadow Lane, Salisbury, Wiltshire, SP1 2TJ	Ordinary	100.00
S.B. Joinery Installations (UK) Limited	33 The Clarendon Centre, Salisbury Business Park Dairy Meadow Lane, Salisbury, Wiltshire, SP1 2TJ	Ordinary	100.00

### 15 Inventories

	Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
Finished goods and goods for resale	323,892	270,410	-	-

### 16 Trade and other receivables

	Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
<b>Amounts falling due within one year:</b>				
Trade receivables	3,368,911	3,437,202	-	-
Corporation tax recoverable	464,596	357,627	-	-
Amounts owed by group undertakings	-	-	469,682	381,431
Other receivables	321,090	184,023	-	-
Prepayments and accrued income	102,501	29,162	-	-
	4,257,098	4,008,014	469,682	381,431
Deferred tax asset (note 21)	62,360	-	-	-
	4,319,458	4,008,014	469,682	381,431

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 17 Current liabilities

	Notes	Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
Bank loans and overdrafts	19	577,085	452,703	-	-
Obligations under finance leases	20	44,190	58,055	-	-
Other borrowings	19	41,625	-	-	-
Trade payables		1,432,758	1,235,475	-	-
Amounts owed to group undertakings		-	-	100,000	100,000
Other taxation and social security		156,891	177,731	-	-
Deferred income	22	-	170,999	-	-
Other payables		79,987	58,302	10,367	-
Accruals and deferred income		129,420	153,683	62,432	51,836
		<u>2,461,956</u>	<u>2,306,948</u>	<u>172,799</u>	<u>151,836</u>

### 18 Non-current liabilities

	Notes	Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
Obligations under finance leases	20	49,132	53,118	-	-
Other borrowings	19	731,671	1,664,966	546,334	1,664,966
		<u>780,803</u>	<u>1,718,084</u>	<u>546,334</u>	<u>1,664,966</u>

### 19 Borrowings

		Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
Bank overdrafts		577,085	452,703	-	-
Other loans		773,296	1,664,966	546,334	1,664,966
		<u>1,350,381</u>	<u>2,117,669</u>	<u>546,334</u>	<u>1,664,966</u>
Payable within one year		618,710	452,703	-	-
Payable after one year		731,671	1,664,966	546,334	1,664,966

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 20 Finance lease obligations

	Group 30.12.2022 £	31.3.2022 £	Company 30.12.2022 £	31.3.2022 £
Future minimum lease payments due under finance leases:				
Within one year	44,190	58,055	-	-
In two to five years	49,132	53,118	-	-
	<u>93,322</u>	<u>111,173</u>	<u>-</u>	<u>-</u>

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

### 21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 30.12.2022 £	Liabilities 31.3.2022 £	Assets 30.12.2022 £	Assets 31.3.2022 £
<b>Group</b>				
Accelerated capital allowances	221,165	135,977	-	-
Tax losses	(76,833)	(48,642)	62,360	-
	<u>144,332</u>	<u>87,335</u>	<u>62,360</u>	<u>-</u>

The company has no deferred tax assets or liabilities.

	Group 30.12.2022 £	Company 30.12.2022 £
<b>Movements in the period:</b>		
Liability at 1 April 2022	87,335	-
Credit to profit or loss	(5,363)	-
Liability at 30 December 2022	<u>81,972</u>	<u>-</u>

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 22 Deferred income

	Group		Company	
	30.12.2022	31.3.2022	30.12.2022	31.3.2022
	£	£	£	£
Other deferred income	-	170,999	-	-

### 23 Retirement benefit schemes

	30.12.2022	31.3.2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	64,685	78,804

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

### 24 Share capital

Group and company	30.12.2022	31.3.2022	30.12.2022	31.3.2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary A Shares of £1 each	55,000	55,000	55,000	55,000
Ordinary B Shares of £1 each	15,000	15,000	15,000	15,000
Ordinary C Shares of £1 each	15,000	15,000	15,000	15,000
Ordinary D Shares of £1 each	15,000	15,000	15,000	15,000
Ordinary Non-voting A shares of 1p each	1,000	1,000	-	-
Ordinary Non-voting B shares of 1p each	2,000	2,000	-	-
	103,000	103,000	100,000	100,000

The £1.00 Ordinary A,B,C,D Voting shares have the following rights attached, each share is entitled to one vote in any circumstances, is entitled to dividend payments or any other distribution and is entitled to participate in a distribution arising from winding up of the Company.

The Ordinary £0.01 A & B Non voting shares have the following rights attached, each share is entitled to a dividend payment at the option of the directors, each share shall not carry a right to attend and vote at meetings and shall not be entitled to participate in a distribution arising from a winding up of the company

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 DECEMBER 2022

### 25 Operating lease commitments

#### Lessee

Operating lease payments represent rentals payable by the group 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 group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>Group</b>		<b>Company</b>	
	<b>30.12.2022</b>	<b>31.3.2022</b>	<b>30.12.2022</b>	<b>31.3.2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	359,262	206,905	-	-
Between two and five years	61,695	35,627	-	-
	<u>420,957</u>	<u>242,532</u>	<u>-</u>	<u>-</u>

### 26 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	<b>30.12.2022</b>	<b>31.3.2022</b>
	<b>£</b>	<b>£</b>
Aggregate compensation	<u>94,915</u>	<u>102,036</u>

The following amounts were outstanding at the reporting end date:

<b>Amounts due to related parties</b>	<b>30.12.2022</b>	<b>31.3.2022</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Brown Property Investments Limited	<u>46,496</u>	<u>52,224</u>

During the year, a management fee of £5,728 (31.3.2022 - £52,776), was received by a subsidiary company, from Brown Property Investments Limited.

#### Other information

# SB JOINERY HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

### 26 Related party transactions

(Continued)

During the year, a subsidiary company paid rent of £37,125 (31.3.2022 - £56,500) to the pension scheme of the directors.

During the year, a subsidiary company also paid rent of £187,500 (31.3.2022 - £250,000) to some of the directors.

During the year, a subsidiary company made sales of £Nil (31.3.2022 - £12,278) to Vista 4 Limited. Vista 4 Limited was a wholly owned trading subsidiary of the Allbrook Education Trust. R Brown is a director of Vista 4 Limited.

Interest has been paid of £62,432 (£51,836) to directors based on 5% of the directors loan account balances.

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.

### 27 Cash generated from group operations

	30.12.2022 £	31.3.2022 £
Profit for the period after tax	89,922	598,289
<b>Adjustments for:</b>		
Taxation credited	(132,536)	(301,141)
Finance costs	78,681	57,587
Investment income	(1,665)	(144)
(Gain)/loss on disposal of property, plant and equipment	(30)	28,632
Depreciation and impairment of property, plant and equipment	189,468	240,392
<b>Movements in working capital:</b>		
Increase in inventories	(53,482)	(144,881)
Increase in trade and other receivables	(142,115)	(513,419)
Increase in trade and other payables	173,865	275,870
Decrease in deferred income	(170,999)	(18,765)
<b>Cash generated from operations</b>	<b>31,109</b>	<b>222,420</b>

### 28 Analysis of changes in net debt - group

	1 April 2022 £	Cash flows £	New finance leases £	30 December 2022 £
Cash at bank and in hand	1,437,334	(1,241,959)	-	195,375
Bank overdrafts	(452,703)	(124,382)	-	(577,085)
	984,631	(1,366,341)	-	(381,710)
Borrowings excluding overdrafts	(1,664,966)	891,670	-	(773,296)
Obligations under finance leases	(111,173)	59,810	(41,959)	(93,322)
	(791,508)	(414,861)	(41,959)	(1,248,328)