

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2022
for
Joedan Manufacturing (UK) Limited

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for the Year Ended 31 December 2022

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Joedan Manufacturing (UK) Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS:

Mrs N J Purcaro
Mr J D A Purcaro
Mr J A Purcaro

SECRETARY:

Mr J D A Purcaro

REGISTERED OFFICE:

Unit 3 Joedan Park
Northway Gate
Ashchurch
Tewkesbury
Gloucestershire
GL20 8JP

REGISTERED NUMBER:

01923313 (England and Wales)

AUDITORS:

Griffiths Marshall
Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

Strategic Report
for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

REVIEW OF BUSINESS

We are pleased to present the report and accounts of Joedan Manufacturing (UK) Limited for the year ended 31 December 2022.

Looking forward to 2023 we are continuing to be selective with our choice of customers and expect to continue to recover and grow from the effects of the pandemic.

As ever, we are grateful for the continued support of our employees, clients, suppliers and business partners.

PRINCIPAL RISKS AND UNCERTAINTIES

The company had no financial instruments at the balance sheet date other than cash and financial instruments such as debtors and creditors that arise from its operations.

The company is exposed to a variety of financial risks which result from its operating activities. The board is responsible for coordinating the company's risk management and focuses on securing the company's short to medium term cash flows.

The company does not actively engage in the trading of financial assets and has no financial derivatives.

The company seeks to manage risks to ensure sufficient liquidity is available to meet its foreseeable needs. Regular contact is maintained with the company's bankers to ensure that sufficient funding is available for the company's needs if required.

KEY PERFORMANCE INDICATORS

Joedan Manufacturing (UK) Limited measures its performance on a number of key performance indicators, including revenue, gross profit as well as net cash from operations. Individual job profitability is very closely monitored by the directors as this is key to the operation of the company.

ON BEHALF OF THE BOARD:

Mr J A Purcaro - Director

21 June 2023

Report of the Directors
for the Year Ended 31 December 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the design, manufacture and sale of double glazed doors, windows and conservatories.

DIVIDENDS

An interim dividend of £158.42 per share was paid on . The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2022 will be £ 1,600,000 .

DIRECTORS

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

Mrs N J Purcaro
Mr J D A Purcaro
Mr J A Purcaro

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

Report of the Directors
for the Year Ended 31 December 2022

AUDITORS

The auditor, Griffiths Marshall, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

Mr J A Purcaro - Director

21 June 2023

Report of the Independent Auditors to the Members of Joedan Manufacturing (UK) Limited

Opinion

We have audited the financial statements of Joedan Manufacturing (UK) Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

We gained an understanding of the legal and regulatory framework applicable to Joedan Manufacturing (UK) Limited and the industry in which it operates and, considered the risk of acts by Management and directors of Joedan Manufacturing (UK) Limited which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006 and Employment Law. We made enquiries of the Directors to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- review of minutes of the Board meetings throughout the year; and
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Report of the Independent Auditors to the Members of
Joedan Manufacturing (UK) Limited

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Price (Senior Statutory Auditor)
for and on behalf of Griffiths Marshall
Beaumont House
172 Southgate Street
Gloucester
Gloucestershire
GL1 2EZ

30 June 2023

Statement of Comprehensive Income
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
TURNOVER	3	15,429,963	15,795,107
Cost of sales		<u>9,275,773</u>	<u>10,855,348</u>
GROSS PROFIT		6,154,190	4,939,759
Administrative expenses		<u>4,414,635</u>	<u>3,884,435</u>
		1,739,555	1,055,324
Other operating income	4	<u>66,861</u>	<u>19,067</u>
OPERATING PROFIT	6	1,806,416	1,074,391
Interest payable and similar expenses	7	<u>12,095</u>	<u>17,968</u>
PROFIT BEFORE TAXATION		1,794,321	1,056,423
Tax on profit	8	<u>127,402</u>	<u>235,007</u>
PROFIT FOR THE FINANCIAL YEAR		1,666,919	821,416
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
FOR THE YEAR		<u>1,666,919</u>	<u>821,416</u>

Balance Sheet
31 December 2022

	Notes	31.12.22 £	£	31.12.21 £	£
FIXED ASSETS					
Intangible assets	11		1,035		25,015
Tangible assets	12		<u>1,142,474</u>		<u>1,078,710</u>
			1,143,509		1,103,725
CURRENT ASSETS					
Stocks	13	828,470		1,229,791	
Debtors	14	1,099,255		1,883,283	
Cash at bank and in hand		<u>891,413</u>		<u>664,609</u>	
		2,819,138		3,777,683	
CREDITORS					
Amounts falling due within one year	15	<u>2,660,186</u>		<u>3,607,438</u>	
NET CURRENT ASSETS			<u>158,952</u>		<u>170,245</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,302,461		1,273,970
CREDITORS					
Amounts falling due after more than one year	16		(47,079)		(115,092)
PROVISIONS FOR LIABILITIES	18		<u>(152,159)</u>		<u>(122,574)</u>
NET ASSETS			<u>1,103,223</u>		<u>1,036,304</u>
CAPITAL AND RESERVES					
Called up share capital	19		10,100		10,100
Share premium			246		246
Retained earnings			<u>1,092,877</u>		<u>1,025,958</u>
SHAREHOLDERS' FUNDS			<u>1,103,223</u>		<u>1,036,304</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 June 2023 and were signed on its behalf by:

Mr J A Purcaro - Director

Statement of Changes in Equity
for the Year Ended 31 December 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2021	10,100	913,296	246	923,642
Changes in equity				
Dividends	-	(708,754)	-	(708,754)
Total comprehensive income	-	821,416	-	821,416
Balance at 31 December 2021	10,100	1,025,958	246	1,036,304
Changes in equity				
Dividends	-	(1,600,000)	-	(1,600,000)
Total comprehensive income	-	1,666,919	-	1,666,919
Balance at 31 December 2022	10,100	1,092,877	246	1,103,223

Cash Flow Statement
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	2,271,496	1,638,829
Interest paid		(12,095)	(17,968)
Tax paid		(9,961)	101,803
Net cash from operating activities		<u>2,249,440</u>	<u>1,722,664</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(276,680)	(91,733)
Sale of tangible fixed assets		6,462	23,086
Net cash from investing activities		<u>(270,218)</u>	<u>(68,647)</u>
Cash flows from financing activities			
Loan repayments in year		-	(250,000)
Payment of finance lease obligations		(152,418)	(232,742)
Equity dividends paid		(1,600,000)	(708,754)
Net cash from financing activities		<u>(1,752,418)</u>	<u>(1,191,496)</u>
Increase in cash and cash equivalents		<u>226,804</u>	<u>462,521</u>
Cash and cash equivalents at beginning of year	2	664,609	202,088
Cash and cash equivalents at end of year	2	<u>891,413</u>	<u>664,609</u>

**Notes to the Cash Flow Statement
for the Year Ended 31 December 2022**

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

	31.12.22	31.12.21
	£	£
Profit before taxation	1,794,321	1,056,423
Depreciation charges	197,944	247,733
Loss on disposal of fixed assets	32,490	633
Finance costs	12,095	17,968
	<u>2,036,850</u>	<u>1,322,757</u>
Decrease in stocks	401,321	309,126
Decrease/(increase) in trade and other debtors	809,028	(32,456)
(Decrease)/increase in trade and other creditors	<u>(975,703)</u>	<u>39,402</u>
Cash generated from operations	<u>2,271,496</u>	<u>1,638,829</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2022

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u>891,413</u>	<u>664,609</u>

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>664,609</u>	<u>202,088</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>664,609</u>	<u>226,804</u>	<u>891,413</u>
	<u>664,609</u>	<u>226,804</u>	<u>891,413</u>
Debt			
Finance leases	<u>(236,465)</u>	<u>152,418</u>	<u>(84,047)</u>
	<u>(236,465)</u>	<u>152,418</u>	<u>(84,047)</u>
Total	<u>428,144</u>	<u>379,222</u>	<u>807,366</u>

Notes to the Financial Statements
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

Joedan Manufacturing (UK) 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 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.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company 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.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company'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.

The main areas of accounting estimates are:

- Revenue and margin recognition on long term contracts
- Stock provision
- Recoverability of trade debtors

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Turnover

Turnover 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, settlement discounts and volume rebates.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date represent based on total expected costs of that contract.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer which occurs when the installation of the product is completed at the customer's location, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Intangible assets other than goodwill

Amortisation 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:

Software 33.33% straight line
Development costs 25% straight line

Tangible fixed assets

Tangible fixed assets are measured at cost, 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:

Showrooms 15% and 25% straight line
Office refurbishment 5% straight line
Plant and machinery 15% reducing balance, 5% - 25% straight line
Office equipment & computers 33.33% straight line
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.

Stocks

Stocks 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 stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks 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.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. ACCOUNTING POLICIES - continued

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.

Basic financial assets

Basic financial assets, which include debtors 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.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies, 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 creditors 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

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 profit and loss account 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 taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

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.

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.

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 balance sheet 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.

Retirement benefits

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

2. **ACCOUNTING POLICIES - continued**

Impairment of fixed assets

At each reporting period end date, the company 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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 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 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.

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.

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 fixed assets.

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

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.

3. **TURNOVER**

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

An analysis of turnover by class of business is given below:

	31.12.22	31.12.21
	£	£
Windows and doors	15,429,963	15,795,107
	<u>15,429,963</u>	<u>15,795,107</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

4. **OTHER OPERATING INCOME**

	31.12.22	31.12.21
	£	£
Rents received	<u>66,861</u>	<u>19,067</u>
	31.12.22	31.12.21
£		
Other significant revenue		
Interest income	-	628
Rental income	19,067	14,785
Grants received	<u>-</u>	<u>213,095</u>

5. **EMPLOYEES AND DIRECTORS**

	31.12.22	31.12.21
	£	£
Wages and salaries	3,620,014	3,578,821
Social security costs	352,441	366,452
Other pension costs	117,070	74,857
	<u>4,089,525</u>	<u>4,020,130</u>

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

	31.12.22	31.12.21
Directors	3	3
Administration	49	56
Production/Distribution	<u>62</u>	<u>72</u>
	<u>114</u>	<u>131</u>

Directors' remuneration

	31.12.22	31.12.21
	£	£
	<u>636,904</u>	<u>265,873</u>

Information regarding the highest paid director is as follows:

	31.12.22	31.12.21
	£	£
Emoluments etc	<u>113,400</u>	<u>121,546</u>

6. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.22	31.12.21
	£	£
Hire of plant and machinery	61,219	59,371
Other operating leases	720,211	749,348
Depreciation - owned assets	173,964	219,342
Loss on disposal of fixed assets	32,490	633
Computer software amortisation	23,980	28,391
Auditors' remuneration	11,000	11,400
Foreign exchange differences	<u>49,955</u>	<u>55,926</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.22	31.12.21
	£	£
Bank loan interest	-	9,003
Other interest on financial liabilities	12,095	8,965
	<u>12,095</u>	<u>17,968</u>

8. TAXATION

Analysis of the tax charge

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

	31.12.22	31.12.21
	£	£
Current tax:		
UK corporation tax	302,186	214,330
Taxation prior year	(204,369)	-
Total current tax	<u>97,817</u>	<u>214,330</u>
Deferred tax	29,585	20,677
Tax on profit	<u>127,402</u>	<u>235,007</u>

UK corporation tax has been charged at 19% .

Reconciliation of total tax charge included in profit and loss

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

	31.12.22	31.12.21
	£	£
Profit before tax	<u>1,794,321</u>	<u>1,056,423</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	340,921	200,720
Effects of:		
Expenses not deductible for tax purposes	6,858	7,213
Capital allowances in excess of depreciation	(20,564)	-
Depreciation in excess of capital allowances	-	21,680
Amortisation on assets not qualifying for tax allowances	4,556	5,394
Research and development tax credit	(204,369)	-
respect of prior years		
Total tax charge	<u>127,402</u>	<u>235,007</u>

9. DIVIDENDS

	31.12.22	31.12.21
	£	£
Ordinary shares of £1 each		
Interim	<u>1,600,000</u>	<u>708,754</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

10. **RETIREMENT BENEFIT SCHEMES**

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The charge to the profit or loss in respect of defined contribution schemes was £117,070 (2021: £74,857).

11. **INTANGIBLE FIXED ASSETS**

	Goodwill £	Development costs £	Computer software £	Totals £
COST				
At 1 January 2022 and 31 December 2022	10,500	456,091	85,183	551,774
AMORTISATION				
At 1 January 2022	10,500	456,091	60,168	526,759
Amortisation for year	-	-	23,980	23,980
At 31 December 2022	10,500	456,091	84,148	550,739
NET BOOK VALUE				
At 31 December 2022	-	-	1,035	1,035
At 31 December 2021	-	-	25,015	25,015

12. **TANGIBLE FIXED ASSETS**

	Freehold property £	Short leasehold £	Plant and machinery £
COST			
At 1 January 2022	608,871	203,388	1,626,995
Additions	-	-	36,388
Disposals	-	-	-
At 31 December 2022	608,871	203,388	1,663,383
DEPRECIATION			
At 1 January 2022	572,970	195,778	994,480
Charge for year	21,629	7,610	48,418
Eliminated on disposal	-	-	-
At 31 December 2022	594,599	203,388	1,042,898
NET BOOK VALUE			
At 31 December 2022	14,272	-	620,485
At 31 December 2021	35,901	7,610	632,515

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

12. **TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2022	998,634	686,825	4,124,713
Additions	240,292	-	276,680
Disposals	(219,009)	-	(219,009)
At 31 December 2022	<u>1,019,917</u>	<u>686,825</u>	<u>4,182,384</u>
DEPRECIATION			
At 1 January 2022	670,321	612,454	3,046,003
Charge for year	70,579	25,728	173,964
Eliminated on disposal	(180,057)	-	(180,057)
At 31 December 2022	<u>560,843</u>	<u>638,182</u>	<u>3,039,910</u>
NET BOOK VALUE			
At 31 December 2022	<u>459,074</u>	<u>48,643</u>	<u>1,142,474</u>
At 31 December 2021	<u>328,313</u>	<u>74,371</u>	<u>1,078,710</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts:

	£	£	31.12.22	31.12.21
Plant and machinery			0	358,594
Motor vehicles			156,658	261,287
TOTAL			<u>156,658</u>	<u>619,881</u>

13. **STOCKS**

	31.12.22 £	31.12.21 £
Stocks	642,151	1,021,298
Work-in-progress	186,319	208,493
	<u>828,470</u>	<u>1,229,791</u>

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

	31.12.22 £	31.12.21 £
Trade debtors	961,748	1,725,292
Other debtors	-	157
Prepayments	137,507	157,834
	<u>1,099,255</u>	<u>1,883,283</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Hire purchase contracts (see note 17)	36,968	157,738
Payments on account	1,007,236	1,205,089
Trade creditors	939,662	1,307,314
Amounts owed to participating interests	75,000	100,000
Tax	302,186	214,330
Social security and other taxes	94,875	125,597
VAT	45,692	280,545
Other creditors	114,526	129,047
Accrued expenses	44,041	87,778
	<u>2,660,186</u>	<u>3,607,438</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.22	31.12.21
	£	£
Hire purchase contracts (see note 17)	47,079	78,727
Other creditors	-	36,365
	<u>47,079</u>	<u>115,092</u>

17. LEASING AGREEMENTS

	31.12.22	31.12.21
	£	£
Future minimum lease payments due under finance leases:		
Within one year	36,969	165,244
In two to five years	50,638	83,944
	<u>87,607</u>	<u>249,188</u>
Less: future finance charges	(3,559)	(12,723)
	<u>84,048</u>	<u>236,465</u>

Finance lease payments represent rentals payable by the company 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 47 months. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Net obligations under finance lease and hire purchase contracts are secured by fixed charges on the assets concerned.

	Non-cancellable	operating leases
	31.12.22	31.12.21
	£	£
Within one year	269,092	258,061
Between one and five years	536,748	702,377
In more than five years	6,875	45,625
	<u>812,715</u>	<u>1,006,063</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

18. **PROVISIONS FOR LIABILITIES**

	31.12.22 £	31.12.21 £
Deferred tax		
Accelerated capital allowances	<u>152,159</u>	<u>122,574</u>
		Deferred tax £
Balance at 1 January 2022		122,574
Provided during year		<u>29,585</u>
Balance at 31 December 2022		<u>152,159</u>

19. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.22 £	31.12.21 £
10,100	Ordinary	£1	<u>10,100</u>	<u>10,100</u>

20. **FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES**

An inter-company guarantee exists between Joedan Manufacturing (UK) Limited and Joedan Holdings Limited.

21. **RELATED PARTY DISCLOSURES**

During the year the company entered into the following transactions with related parties:

The company has taken advantage of the exemption in FRS 102 section 33 from the requirement to disclose transactions with wholly owned group companies.

During the year the company paid £165,000 (2021: £165,000) to Groomberry Limited a related party by virtue of John Purcaro being a director and shareholder in both companies. At the year end the company was owed from Groomberry Limited £nil (2021: £nil). The amounts paid are in relation to rent payable to Groomberry Limited.

No compensation was paid to key management personnel during the year. However during the year ended 31 December 2021 a total of key management personnel compensation of £ 273,721 was paid.

Key management personnel does not include directors remuneration.

22. **ULTIMATE CONTROLLING PARTY**

The smallest and largest group into which these financial statements are consolidated is that of the parent company, Joedan Holdings Limited, a company incorporated in England and Wales with registered office Unit 3 Joedan Park Northway Gate, Ashchurch, Tewkesbury, Gloucestershire, England, GL20 8JP. The consolidated group accounts are publicly available from Companies House.

The ultimate controlling party is John Purcaro.

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.