

Blue Bay Building Products Limited

Annual Report and Financial Statements
for the Year Ended 31 March 2023

LHP Auditors Ltd
Statutory Auditors
Llys Deri
Parc Pensarn
Carmarthen
SA31 2NF

Blue Bay Building Products Limited

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Blue Bay Building Products Limited

Company Information

Directors	Mr N J Howell Mr M Cleverley Mr P A Thomas
Registered office	Unit 51 Portmanmoor Road Industrial Estate Ocean Park Cardiff CF24 5HB
Solicitors	McTaggart Solicitors St Andrew's House 24 St Andrew's Crescent Cardiff CF10 3DD
Auditors	LHP Auditors Ltd Statutory Auditors Llys Deri Parc Pensarn Carmarthen SA31 2NF

Blue Bay Building Products Limited

Strategic Report for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Principal activity

The principal activity of the company is that of a specialist distributor to the construction industry

Fair review of the business

Sales for the year were £17,599,276 yielding a profit of £1,455,833 before taxation.

The directors were satisfied with the progress made during the year and consider the company well placed to make further progress particularly with the growth of its own branded products.

Principal risks and uncertainties

The company is exposed to relatively low levels of financial risk and seeks to implement policies to mitigate such exposure where possible, including but not confined to regular credit risk evaluation, financial performance review and the maintenance of positive cash reserves.

Approved and authorised by the Board on 8 December 2023 and signed on its behalf by:

.....

Mr N J Howell

Director

Blue Bay Building Products Limited

Directors' Report for the Year Ended 31 March 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors of the company

The directors who held office during the year were as follows:

Mr N J Howell

Mr M Cleverley

Mr P A Thomas

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved and authorised by the Board on 8 December 2023 and signed on its behalf by:

.....

Mr N J Howell

Director

Financial instruments

Objectives and policies

The business' principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors and finance lease agreements. The main purpose of these instruments is to finance the business' operations.

Price risk, credit risk, liquidity risk and cash flow risk

In respect of the bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of the money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debts.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

The business is a lessee in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

Blue Bay Building Products Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Blue Bay Building Products Limited

Independent Auditor's Report to the Members of Blue Bay Building Products Limited

Opinion

We have audited the financial statements of Blue Bay Building Products Limited (the 'company') for the year ended 31 March 2023, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 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 auditor 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 director's 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 original financial statements were 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 included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Blue Bay Building Products Limited

Independent Auditor's Report to the Members of Blue Bay Building Products Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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 4], 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 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.

Auditor 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.

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

Blue Bay Building Products Limited

Independent Auditor's Report to the Members of Blue Bay Building Products Limited

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operation of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

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.

Blue Bay Building Products Limited

Independent Auditor's Report to the Members of Blue Bay Building Products Limited

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Mr M Williams (Senior Statutory Auditor)

For and on behalf of LHP Auditors Ltd, Statutory Auditor

Llys Deri

Parc Pensarn

Carmarthen

SA31 2NF

8 December 2023

Blue Bay Building Products Limited

Profit and Loss Account for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	<u>3</u>	17,599,276	15,851,092
Cost of sales		<u>(12,747,429)</u>	<u>(11,429,831)</u>
Gross profit		4,851,847	4,421,261
Distribution costs		(1,723,750)	(1,481,284)
Administrative expenses		<u>(1,665,213)</u>	<u>(1,616,855)</u>
Operating profit	<u>5</u>	1,462,884	1,323,122
Interest payable and similar expenses	<u>6</u>	<u>(7,051)</u>	<u>(12,345)</u>
Profit before tax		1,455,833	1,310,777
Tax on profit	<u>9</u>	<u>(259,380)</u>	<u>(240,251)</u>
Profit for the financial year		<u><u>1,196,453</u></u>	<u><u>1,070,526</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Blue Bay Building Products Limited

Statement of Comprehensive Income for the Year Ended 31 March 2023

	2023	2022
	£	£
Profit for the year	<u>1,196,453</u>	<u>1,070,526</u>
Total comprehensive income for the year	<u><u>1,196,453</u></u>	<u><u>1,070,526</u></u>

Blue Bay Building Products Limited

(Registration number: 04631406)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>10</u>	459,528	439,270
Current assets			
Stocks	<u>11</u>	1,634,728	1,399,434
Debtors	<u>12</u>	3,959,219	3,517,469
Cash at bank and in hand		<u>1,368,606</u>	<u>483,610</u>
		6,962,553	5,400,513
Creditors: Amounts falling due within one year	<u>14</u>	<u>(4,308,243)</u>	<u>(3,551,310)</u>
Net current assets		<u>2,654,310</u>	<u>1,849,203</u>
Total assets less current liabilities		3,113,838	2,288,473
Creditors: Amounts falling due after more than one year	<u>14</u>	<u>(142,533)</u>	<u>(75,737)</u>
Provisions for liabilities	<u>15</u>	<u>(45,280)</u>	<u>(33,166)</u>
Net assets		<u>2,926,025</u>	<u>2,179,570</u>
Capital and reserves			
Called up share capital		70,002	70,000
Capital redemption reserve		30,000	30,000
Retained earnings		<u>2,826,023</u>	<u>2,079,570</u>
Shareholders' funds		<u>2,926,025</u>	<u>2,179,570</u>

Approved and authorised by the Board on 8 December 2023 and signed on its behalf by:

.....
Mr N J Howell
Director

Blue Bay Building Products Limited

Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 April 2022	70,000	30,000	2,079,570	2,179,570
Profit for the year	-	-	1,196,453	1,196,453
Dividends	-	-	(450,000)	(450,000)
New share capital subscribed	2	-	-	2
At 31 March 2023	70,002	30,000	2,826,023	2,926,025

	Share capital £	Capital redemption reserve £	Retained earnings £	Total £
At 1 April 2021	100,000	-	1,489,044	1,589,044
Profit for the year	-	-	1,070,526	1,070,526
Dividends	-	-	(450,000)	(450,000)
Purchase of own share capital	(30,000)	30,000	(30,000)	(30,000)
At 31 March 2022	70,000	30,000	2,079,570	2,179,570

Blue Bay Building Products Limited

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Profit for the year		1,196,453	1,070,526
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	148,598	137,777
Profit on disposal of tangible assets	<u>4</u>	(6,686)	(1,500)
Finance costs	<u>6</u>	7,051	12,345
Income tax expense	<u>9</u>	259,380	240,251
		<u>1,604,796</u>	<u>1,459,399</u>
Working capital adjustments			
Increase in stocks	<u>11</u>	(235,294)	(337,725)
Increase in trade debtors	<u>12</u>	(441,750)	(253,149)
Increase in trade creditors	<u>14</u>	699,556	558,902
Cash generated from operations		1,627,308	1,427,427
Income taxes paid	<u>9</u>	(194,565)	(178,468)
Net cash flow from operating activities		<u>1,432,743</u>	<u>1,248,959</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(168,738)	(227,964)
Proceeds from sale of tangible assets		6,686	1,500
Net cash flows from investing activities		<u>(162,052)</u>	<u>(226,464)</u>
Cash flows from financing activities			
Interest paid	<u>6</u>	(7,051)	(12,345)
Proceeds from issue of ordinary shares, net of issue costs		2	-
Payments for purchase of own shares		-	(30,000)
Payments to finance lease creditors		71,354	4,640
Dividends paid	<u>19</u>	(450,000)	(450,000)
Net cash flows from financing activities		<u>(385,695)</u>	<u>(487,705)</u>
Net increase in cash and cash equivalents		884,996	534,790
Cash and cash equivalents at 1 April		<u>483,610</u>	<u>(51,180)</u>
Cash and cash equivalents at 31 March		<u><u>1,368,606</u></u>	<u><u>483,610</u></u>

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

The company is a private company limited by share capital, incorporated in Wales.

The address of its registered office is:

Unit 51

Portmanmoor Road Industrial Estate

Ocean Park

Cardiff

CF24 5HB

These financial statements were authorised for issue by the Board on 8 December 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements are presented in Sterling (£).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Property	Over the terms of the lease
Plant & Machinery	20% Straight Line Basis
Fixtures & Fittings	20% Straight Line Basis
Motor Vehicles	20% Straight Line Basis
Office Equipment	20% Straight Line Basis

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress 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, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Turnover

The analysis of the company's Turnover for the year from continuing operations is as follows:

	2023	2022
	£	£
Sale of goods	17,599,276	15,851,092

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2023	2022
	£	£
Gain on disposal of Tangible assets	6,686	1,500

5 Operating profit

Arrived at after charging/(crediting)

	2023	2022
	£	£
Depreciation expense	148,598	137,777
Profit on disposal of property, plant and equipment	(6,686)	(1,500)

6 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and borrowings	-	4,936
Interest on obligations under finance leases and hire purchase contracts	7,051	7,409
	7,051	12,345

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	2023 £	2022 £
Wages and salaries	1,543,118	1,403,896
Pension costs, defined contribution scheme	33,131	25,651
Other employee expense	3,850	2,889
	<u>1,580,099</u>	<u>1,432,436</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2023 No.	2022 No.
General staff	49	47
	<u>49</u>	<u>47</u>

8 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>6,500</u>	<u>-</u>

9 Taxation

Tax charged/(credited) in the profit and loss account

	2023 £	2022 £
Current taxation		
UK corporation tax	247,266	214,565
Deferred taxation		
Arising from origination and reversal of timing differences	<u>12,114</u>	<u>25,686</u>
Tax expense in the income statement	<u>259,380</u>	<u>240,251</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2022 - lower than the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit before tax	<u>1,455,833</u>	<u>1,310,777</u>
Corporation tax at standard rate	276,608	249,048
Tax decrease from effect of capital allowances and depreciation	<u>(17,228)</u>	<u>(8,797)</u>
Total tax charge	<u>259,380</u>	<u>240,251</u>

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

10 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Office equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 April 2022	330,283	16,010	113,972	232,992	925,110	1,618,367
Additions	6,525	-	-	35,752	151,428	193,705
Disposals	-	-	-	-	(54,099)	(54,099)
At 31 March 2023	336,808	16,010	113,972	268,744	1,022,439	1,757,973
Depreciation						
At 1 April 2022	282,433	12,675	97,077	148,326	663,553	1,204,064
Charge for the year	31,174	1,314	4,413	4,157	107,422	148,480
Eliminated on disposal	-	-	-	-	(54,099)	(54,099)
At 31 March 2023	313,607	13,989	101,490	152,483	716,876	1,298,445
Carrying amount						
At 31 March 2023	23,201	2,021	12,482	116,261	305,563	459,528
At 31 March 2022	47,850	3,335	16,895	84,666	286,524	439,270

Included within the net book value of land and buildings above is £23,201 (2022 - £47,851) in respect of freehold land and buildings.

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

11 Stocks

	2023	2022
	£	£
Other inventories	1,634,728	1,399,434

12 Debtors

Current	Note	2023	2022
		£	£
Trade debtors		3,289,116	2,965,098
Amounts owed by related parties	<u>20</u>	400,000	470,000
Other debtors		225,711	41,496
Prepayments		44,392	40,875
		3,959,219	3,517,469

13 Cash and cash equivalents

	2023	2022
	£	£
Cash on hand	102	200
Cash at bank	1,368,504	483,410
	1,368,606	483,610

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

14 Creditors

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	<u>18</u>	56,650	51,974
Trade creditors		3,691,728	3,043,659
Social security and other taxes		159,083	230,483
Accruals		133,516	10,629
Corporation tax liability	<u>9</u>	267,266	214,565
		<u>4,308,243</u>	<u>3,551,310</u>
Due after one year			
Loans and borrowings	<u>18</u>	<u>142,533</u>	<u>75,737</u>

15 Provisions for liabilities

	Deferred tax £	Total £
At 1 April 2022	33,166	33,166
Increase (decrease) in existing provisions	<u>12,114</u>	<u>12,114</u>
At 31 March 2023	<u>45,280</u>	<u>45,280</u>

16 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £33,131 (2022 - £25,651).

17 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary Shares of £1 each	70,000	70,000	70,000	70,000
Ordinary B Shares of £1 (2022 - £0) each	1	1	-	-
Ordinary C Shares of £1 (2022 - £0) each	1	1	-	-
	<u>70,002</u>	<u>70,002</u>	<u>70,000</u>	<u>70,000</u>

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Rights, preferences and restrictions

Ordinary Shares have the following rights, preferences and restrictions:

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

18 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Hire purchase contracts	142,533	75,737

	2023 £	2022 £
Current loans and borrowings		
Hire purchase contracts	56,650	51,974

19 Dividends

	2023 £	2022 £
Final dividend of £6.43 (2022 - £6.43) per ordinary share	450,000	450,000

20 Related party transactions

Summary of transactions with other related parties

Blue Bay Building Products Limited and Blue Bay Consolidated Investments Limited are related by virtue of common control

Blue Bay Consolidated Investments Limited owns property from which Blue Bay Building Products Limited operates. Blue Bay Building Products are charged a market-rate rent for the use of these buildings.

Loans are unsecured and have no fixed rate of interest. the loans are repayable on demand

Expenditure with and payables to related parties

	Other related parties £
2023	
Leases	178,542

	Other related parties £
2022	
Leases	150,000

Loans to related parties

Blue Bay Building Products Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

	Other related parties	
	£	
2023		
At start of period		470,000
Repaid		<u>(70,000)</u>
At end of period		<u><u>400,000</u></u>
	Other related parties	Total
	£	£
2022		
At start of period	500,000	500,000
Repaid	<u>(30,000)</u>	<u>(30,000)</u>
At end of period	<u><u>470,000</u></u>	<u><u>470,000</u></u>

21 Parent and ultimate parent undertaking

The ultimate controlling party is 100% directors.

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.