

**STECHFORD MOULDINGS LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

Sephton & Company LLP  
Chartered Certified Accountants  
Statutory Auditors  
Marston House  
5 Elmdon Lane  
Marston Green  
Solihull  
West Midlands  
B37 7DL

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FOR THE YEAR ENDED 31 MARCH 2022

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**STECHFORD MOULDINGS LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**DIRECTORS:** A J L Bridges  
D Busby

**SECRETARY:** A J L Bridges

**REGISTERED OFFICE:** 1 Station Road  
Stechford  
Birmingham  
West Midlands  
B33 9AX

**REGISTERED NUMBER:** 01720624 (England and Wales)

**AUDITORS:** Sephton & Company LLP  
Chartered Certified Accountants  
Statutory Auditors  
Marston House  
5 Elmdon Lane  
Marston Green  
Solihull  
West Midlands  
B37 7DL

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2022**

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

**REVIEW OF BUSINESS**

We consider that our key performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and profit before tax. Turnover has increased by 25% and profit before tax has increased by 25% compared to previous year. (2021- 28% increase)

We consider the net assets position as another key performance indicator as this shows the financial strength of the company. Net assets by have decreased by 13% compared to the previous year however the company shows good liquidity.

The company is in a strong financial position.

**PRINCIPAL RISKS AND UNCERTAINTIES**

In common with its competitors, the business has a risk relating to price inflation of wages, goods and services. The directors continue to monitor the risk and actively manage the mitigation of inflation.

The directors have developed review procedures and control systems to manage effectively the principle strategic, financial and operational risks faced by the business.

The company's principle instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations.

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

We have considered the external impact of Covid-19 and Brexit, based on the current financial years performance that there would be no material impacts on the trade of the company. We are satisfied the impact of Covid-19 and Brexit does not create any going concern issues.

**ON BEHALF OF THE BOARD:**

A J L Bridges - Director

9 November 2022

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2022**

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

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of manufacturing of plastic mouldings.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 March 2022 will be £ 2,200,000 .

**FUTURE DEVELOPMENTS**

The directors are confident that they have the current infrastructure and employee's base to remain competitive in the industry.

An objective of the company is to increase its turnover, profitability and grow its market share.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2021 to the date of this report.

A J L Bridges  
D Busby

**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 ought to have taken as a director in order to make himself 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 MARCH 2022**

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**AUDITORS**

The auditors, Sephton & Company LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A J L Bridges - Director

9 November 2022

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STECHFORD MOULDINGS LIMITED

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### **Opinion**

We have audited the financial statements of Stechford Mouldings Limited (the 'company') for the year ended 31 March 2022 which comprise the Income Statement, Other 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 March 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF STECHFORD MOULDINGS LIMITED

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### **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 the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognizing 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 or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of legal counsel. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
STECHFORD MOULDINGS LIMITED**

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**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.

Darren Paul Carter (Senior Statutory Auditor)  
for and on behalf of Sephton & Company LLP  
Chartered Certified Accountants  
Statutory Auditors  
Marston House  
5 Elmdon Lane  
Marston Green  
Solihull  
West Midlands  
B37 7DL

9 November 2022

**INCOME STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>TURNOVER</b>		8,204,206	6,582,152
Cost of sales		<u>5,145,224</u>	<u>4,425,908</u>
<b>GROSS PROFIT</b>		3,058,982	2,156,244
Administrative expenses		<u>1,067,278</u>	<u>917,455</u>
		1,991,704	1,238,789
Other operating income	3	<u>14,679</u>	<u>369,523</u>
<b>OPERATING PROFIT</b>	5	2,006,383	1,608,312
Interest receivable and similar income		<u>344</u>	<u>-</u>
		2,006,727	1,608,312
Interest payable and similar expenses	6	<u>-</u>	<u>920</u>
<b>PROFIT BEFORE TAXATION</b>		2,006,727	1,607,392
Tax on profit	7	<u>367,509</u>	<u>305,464</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>1,639,218</u>	<u>1,301,928</u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>PROFIT FOR THE YEAR</b>		1,639,218	1,301,928
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		-	-
<b>FOR THE YEAR</b>		<u>1,639,218</u>	<u>1,301,928</u>

The notes form part of these financial statements

**STECHFORD MOULDINGS LIMITED (REGISTERED NUMBER: 01720624)**

**BALANCE SHEET  
31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		-
Tangible assets	10		<u>1,717,855</u>		<u>1,740,217</u>
			1,717,855		1,740,217
<b>CURRENT ASSETS</b>					
Stocks	11	712,139		622,662	
Debtors	12	2,252,103		2,741,478	
Cash at bank and in hand		<u>688,291</u>		<u>1,006,843</u>	
		3,652,533		4,370,983	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>1,329,766</u>		<u>1,516,734</u>	
<b>NET CURRENT ASSETS</b>			<u>2,322,767</u>		<u>2,854,249</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,040,622		4,594,466
<b>PROVISIONS FOR LIABILITIES</b>	15		(291,850)		(279,957)
<b>ACCRUALS AND DEFERRED INCOME</b>	16		<u>(28,072)</u>		<u>(33,027)</u>
<b>NET ASSETS</b>			<u>3,720,700</u>		<u>4,281,482</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	17		2		2
Retained earnings	18		<u>3,720,698</u>		<u>4,281,480</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>3,720,700</u>		<u>4,281,482</u>

The financial statements were approved by the Board of Directors and authorised for issue on 9 November 2022 and were signed on its behalf by:

A J L Bridges - Director

D Busby - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 April 2020</b>	2	4,179,552	4,179,554
<b>Changes in equity</b>			
Dividends	-	(1,200,000)	(1,200,000)
Total comprehensive income	-	1,301,928	1,301,928
<b>Balance at 31 March 2021</b>	2	4,281,480	4,281,482
<b>Changes in equity</b>			
Dividends	-	(2,200,000)	(2,200,000)
Total comprehensive income	-	1,639,218	1,639,218
<b>Balance at 31 March 2022</b>	2	3,720,698	3,720,700

The notes form part of these financial statements

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	2,540,653	1,886,786
Interest element of hire purchase or finance lease rental payments paid		-	(920)
Government grants		14,679	-
Tax paid		(514,030)	(263,707)
Net cash from operating activities		<u>2,041,302</u>	<u>1,622,159</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(244,170)	(82,811)
Sale of tangible fixed assets		28,333	-
Interest received		344	-
Net cash from investing activities		<u>(215,493)</u>	<u>(82,811)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		-	(10,645)
Amount introduced by directors		159,000	141,500
Amount withdrawn by directors		(98,964)	(74,247)
Equity dividends paid		(2,200,000)	(1,200,000)
Net cash from financing activities		<u>(2,139,964)</u>	<u>(1,143,392)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(314,155)</u>	<u>395,956</u>
<b>Cash and cash equivalents at beginning of year</b>	2	1,006,843	614,750
Effect of foreign exchange rate changes		(4,397)	(3,863)
<b>Cash and cash equivalents at end of year</b>	2	<u>688,291</u>	<u>1,006,843</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2022

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

	2022 £	2021 £
Profit before taxation	2,006,727	1,607,392
Depreciation charges	239,911	199,105
Profit on disposal of fixed assets	(1,712)	-
Government grants	(14,679)	(369,523)
Finance costs	-	920
Finance income	(344)	-
	<u>2,229,903</u>	<u>1,437,894</u>
(Increase)/decrease in stocks	(89,477)	31,560
Decrease in trade and other debtors	489,375	12,285
(Decrease)/increase in trade and other creditors	(89,148)	405,047
<b>Cash generated from operations</b>	<u><u>2,540,653</u></u>	<u><u>1,886,786</u></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 March 2022

	31/3/22 £	1/4/21 £
Cash and cash equivalents	<u>688,291</u>	<u>1,006,843</u>

Year ended 31 March 2021

	31/3/21 £	1/4/20 £
Cash and cash equivalents	<u><u>1,006,843</u></u>	<u><u>614,750</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	Exchange differences £	At 31/3/22 £
<b>Net cash</b>				
Cash at bank and in hand	<u>1,006,843</u>	<u>(314,155)</u>	<u>(4,397)</u>	<u>688,291</u>
	<u>1,006,843</u>	<u>(314,155)</u>	<u>(4,397)</u>	<u>688,291</u>
<b>Total</b>	<u><u>1,006,843</u></u>	<u><u>(314,155)</u></u>	<u><u>(4,397)</u></u>	<u><u>688,291</u></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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1. **STATUTORY INFORMATION**

Stechford Mouldings 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Significant judgements and estimates**

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.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Goodwill**

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and amortised over its expected useful life up to a maximum of 20 years. This length of time is presumed to be the maximum useful life of purchased goodwill because it is difficult to make projections beyond this period. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

**Amortisation**

Amortisation is calculated so as to write off the cost of an asset, net of anticipated disposal proceeds, over the estimated useful economic life of that asset as follows:

Goodwill - straight line over 5 years

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

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2. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- in accordance with the property
Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

**Government grants**

Government grants are recognised on the accruals basis, relating to the periods in which the entity recognises the cost for which the grant is intended to compensate.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, cash and bank balances, loans to or from related parties and current asset investments. All such instruments are measured initially and subsequently at the transaction price.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment is recognised in the profit and loss account.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**

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

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

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Development grants**

Deferred development grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

3. OTHER OPERATING INCOME

	2022	2021
	£	£
Government grants	<u>14,679</u>	<u>369,523</u>

The company is in receipt of the Coronavirus Job Retention Scheme.

The company has also previously received grants for machinery, which is being recognised over the life of the asset.

4. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	2,365,426	2,233,429
Other pension costs	<u>219,458</u>	<u>213,411</u>
	<u>2,584,884</u>	<u>2,446,840</u>

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

	2022	2021
Operations	84	83
Office	<u>12</u>	<u>10</u>
	<u>96</u>	<u>93</u>

	2022	2021
	£	£
Directors' remuneration	-	-
Directors' pension contributions to money purchase schemes	<u>160,000</u>	<u>160,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

4. **EMPLOYEES AND DIRECTORS - continued**

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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5. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2022	2021
	£	£
Rent and rates	95,440	93,307
Depreciation - owned assets	239,911	199,104
Profit on disposal of fixed assets	(1,712)	-
Auditors' remuneration	7,000	7,000
Foreign exchange differences	<u>4,397</u>	<u>3,863</u>

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022	2021
	£	£
Hire purchase interest	<u>-</u>	<u>920</u>

7. **TAXATION**

**Analysis of the tax charge**

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

	2022	2021
	£	£
Current tax:		
UK corporation tax	355,616	314,030
Deferred tax	<u>11,893</u>	<u>(8,566)</u>
Tax on profit	<u>367,509</u>	<u>305,464</u>

UK corporation tax has been charged at 19% (2021 - 19%).

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

7. **TAXATION - continued**

**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:

	2022 £	2021 £
Profit before tax	<u>2,006,727</u>	<u>1,607,392</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	381,278	305,404
Effects of:		
Expenses not deductible for tax purposes	118	60
Income not taxable for tax purposes	(325)	-
Capital allowances in excess of depreciation	(13,562)	-
Total tax charge	<u>367,509</u>	<u>305,464</u>

8. **DIVIDENDS**

	2022 £	2021 £
Interim	<u>2,200,000</u>	<u>1,200,000</u>

9. **INTANGIBLE FIXED ASSETS**

	Goodwill £
<b>COST</b>	
At 1 April 2021 and 31 March 2022	<u>3,004</u>
<b>AMORTISATION</b>	
At 1 April 2021 and 31 March 2022	<u>3,004</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	-
At 31 March 2021	-

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

10. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 April 2021	656,780	3,521,847	413,867	59,509	4,652,003
Additions	-	241,920	2,250	-	244,170
Disposals	-	-	-	(35,495)	(35,495)
At 31 March 2022	<u>656,780</u>	<u>3,763,767</u>	<u>416,117</u>	<u>24,014</u>	<u>4,860,678</u>
<b>DEPRECIATION</b>					
At 1 April 2021	13,406	2,623,141	245,558	29,681	2,911,786
Charge for year	42,758	171,105	25,246	802	239,911
Eliminated on disposal	-	-	-	(8,874)	(8,874)
At 31 March 2022	<u>56,164</u>	<u>2,794,246</u>	<u>270,804</u>	<u>21,609</u>	<u>3,142,823</u>
<b>NET BOOK VALUE</b>					
At 31 March 2022	<u>600,616</u>	<u>969,521</u>	<u>145,313</u>	<u>2,405</u>	<u>1,717,855</u>
At 31 March 2021	<u>643,374</u>	<u>898,706</u>	<u>168,309</u>	<u>29,828</u>	<u>1,740,217</u>

11. STOCKS

	2022 £	2021 £
Stocks	<u>712,139</u>	<u>622,662</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	2,021,374	1,826,612
Amounts owed by group undertakings	35,277	699,503
Prepayments and accrued income	<u>195,452</u>	<u>215,363</u>
	<u>2,252,103</u>	<u>2,741,478</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	718,305	798,575
Amounts owed to group undertakings	13,797	239,387
Corporation tax	155,616	314,030
Other taxes	29,623	31,417
VAT	79,030	4,038
Other creditors	2,333	-
Directors' current accounts	154,289	94,253
Accruals and deferred income	<u>176,773</u>	<u>35,034</u>
	<u>1,329,766</u>	<u>1,516,734</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	7,185	6,376
Between one and five years	3,139	9,085
	<u>10,324</u>	<u>15,461</u>

15. PROVISIONS FOR LIABILITIES

	2022	2021
	£	£
Deferred tax	<u>291,850</u>	<u>279,957</u>
		Deferred tax
		£
Balance at 1 April 2021		279,957
Provided during year		11,893
Balance at 31 March 2022		<u>291,850</u>

Deferred tax of £22,810 is expected to reverse in the next year as accelerated capital allowances reduce.

16. ACCRUALS AND DEFERRED INCOME

	2022	2021
	£	£
Deferred government grants	<u>28,072</u>	<u>33,027</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

18. RESERVES

	Retained earnings
	£
At 1 April 2021	4,281,480
Profit for the year	1,639,218
Dividends	<u>(2,200,000)</u>
At 31 March 2022	<u>3,720,698</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2022

19. **ULTIMATE PARENT COMPANY**

Moulding Services Group Limited is regarded by the directors as being the company's ultimate parent company.

Moulding Services Group Limited owns 100% of the issued share capital.

Moulding Services Group Limited prepares group financial statements. The registered office of Moulding Services Group Limited is 1 Station Road, Birmingham, B33 9AX.

20. **RELATED PARTY DISCLOSURES**

**Entities with control, joint control or significant influence over the entity**

	2022	2021
	£	£
Amount due from related party	<u>35,277</u>	<u>-</u>

The loan is unsecured and repayable on demand.

Interest is not charged on the outstanding balance.

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.