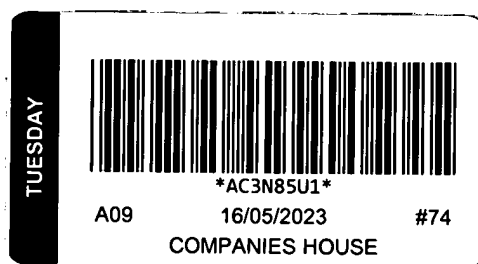


Company Registration No. 02956470 (England and Wales)

M H JOINERY PRODUCTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2022

PAGES FOR FILING WITH REGISTRAR



M H JOINERY PRODUCTS LIMITED

COMPANY INFORMATION

Directors	Mr A J Saitch Mrs A J Saitch Mr M J Tracey Mr I C Hobden
Secretary	Mrs A J Saitch
Company number	02956470
Registered office	Unit 11 Parrett Way Colley Lane Industrial Estate Bridgwater Somerset TA6 5LD
Accountants	RSM UK Tax and Accounting Limited Chartered Accountants Highfield Court Tollgate Chandlers Ford Eastleigh Hampshire SO53 3TY

M H JOINERY PRODUCTS LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2022**

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	4		1,732,438		1,775,358
Current assets					
Stocks		1,063,781		943,992	
Debtors	5	1,388,355		1,781,488	
Cash at bank and in hand		177,780		206,066	
		<u>2,629,916</u>		<u>2,931,546</u>	
Creditors: amounts falling due within one year	6	<u>(1,649,313)</u>		<u>(2,011,638)</u>	
Net current assets			980,603		919,908
Total assets less current liabilities			<u>2,713,041</u>		<u>2,695,266</u>
Creditors: amounts falling due after more than one year	7		(362,185)		(456,241)
Provisions for liabilities	8		<u>(34,129)</u>		<u>-</u>
Net assets			<u><u>2,316,727</u></u>		<u><u>2,239,025</u></u>

M H JOINERY PRODUCTS LIMITED**STATEMENT OF FINANCIAL POSITION (CONTINUED)****AS AT 30 JUNE 2022**

Notes	2022		2021	
	£	£	£	£
Capital and reserves				
Called up share capital		62,320		62,320
Capital redemption reserve		3,800		3,800
Profit and loss reserves		2,250,607		2,172,905
Total equity		<u>2,316,727</u>		<u>2,239,025</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.


For the financial year ended 30 June 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 (the Act) relating to small companies.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 11 May 2023 and are signed on its behalf by:



Mr A J Saitch
Director

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Company information

M H Joinery Products Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Unit 11, Parrett Way, Colley Lane Industrial Estate, Bridgwater, Somerset TA6 5LD.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Companies Act 2006, as applicable to companies subject to the small companies' regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £1.

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.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Income is recognised on delivery or fulfilment of the contract where the company has the right to consideration.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), 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.

Tangible fixed assets

Tangible fixed assets are measured at cost, net of depreciation and any impairment losses.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	2% straight line on buildings
Land and buildings short leasehold	12.5 years straight line
Plant and machinery	15% reducing balance
Fixtures, fittings and equipment	15% reducing balance and 20% 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.

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting period end 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.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments

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

Financial instruments are recognised 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 trade and other 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

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 trade and other creditors and bank loans, 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.

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

Equity instruments

Equity instruments issued by the company are recorded at the fair value of 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.

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

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.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Government grants

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

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

2 Employees

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

	2022 Number	2021 Number
Total	85	100

3 Directors' remuneration

	2022 £	2021 £
Remuneration paid to directors	179,210	176,113

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2021: 1).

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 July 2021	2,107,947	2,359,858	4,467,805
Additions	-	59,331	59,331
Disposals	-	(32,950)	(32,950)
At 30 June 2022	2,107,947	2,386,239	4,494,186
Depreciation and impairment			
At 1 July 2021	692,736	1,999,711	2,692,447
Depreciation charged in the year	14,556	79,523	94,079
Eliminated in respect of disposals	-	(24,778)	(24,778)
At 30 June 2022	707,292	2,054,456	2,761,748
Carrying amount			
At 30 June 2022	1,400,655	331,783	1,732,438
At 30 June 2021	1,415,211	360,147	1,775,358

5 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	1,019,153	1,256,469
Corporation tax recoverable	-	60,387
Other debtors	369,202	455,391
	1,388,355	1,772,247
Deferred tax asset	-	9,241
	1,388,355	1,781,488

As at 30 June 2022, amounts of £1,019,153 (2021: £1,256,469) were used as security in respect of the invoice financing due in less than one year disclosed in Note 6.

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank loans and overdrafts	110,701	99,654
Trade creditors	887,219	986,702
Taxation and social security	237,725	410,151
Other creditors	413,668	515,131
	<u>1,649,313</u>	<u>2,011,638</u>

The bank loans and overdrafts totalling £110,701 (2021: £99,654) are secured by fixed and floating charges over the assets of the company. Interest is payable at 3.7% and 2.1% per annum respectively, including the margin and underlying rate. For further information regarding the bank loans and overdrafts, see Note 7.

Included in other borrowings is invoice financing totalling £266,709 (2021: £7,653), this is secured over specific trade debtor balances as disclosed in Note 5. Interest is payable at 2.5% over base rate.

7 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Bank loans and overdrafts	<u>362,185</u>	<u>456,241</u>

Within bank loans and overdrafts is an amount of £230,243 (2021: £219,703), which is secured by fixed and floating charges over the assets of the company. Interest is payable at 3.7% per annum, including the margin and underlying rate. The loans are repayable over 5 years by monthly instalments.

Also within bank loans and overdrafts is an amount of £131,942 (2021: £236,538), which is secured by floating charges over the assets of the company. Interest is payable at 2.1% per annum, including the margin and underlying rate. The loans are repayable over 6 years by quarterly instalments.

8 Provisions for liabilities

	2022 £	2021 £
Deferred tax liabilities	<u>34,129</u>	<u>-</u>

M H JOINERY PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

9 Operating lease commitments

Lessee

At the reporting period end date, the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	129,179	186,844
Between one and five years	17,387	146,566
	<u>146,566</u>	<u>333,410</u>

10 Events after the reporting period end date

In the following accounting period, the freehold property of the company was transferred to the parent company.

11 Parent company

The immediate and ultimate parent company is MH Joinery Holdings Limited, a company incorporated in England and Wales with its registered office address at Unit 11, Parrett Way, Colley Lane Industrial Estate, Bridgwater, Somerset TA6 5LD.

The ultimate controlling party is deemed to be Mr A J Saitch by virtue of his majority shareholding.