

BINNS FENCING LIMITED

Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 31 December 2022

Contents of the Financial Statements
for the year ended 31 December 2022

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3 to 4
Report of the Independent Auditors	5 to 6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 17

BINNS FENCING LIMITED
Company Information
for the year ended 31 December 2022

Directors: M C Earls
A R Henman
A D H Binns
C J Hackett

Secretary: V Parker

Registered office: Harvest House
Cranborne Road
Potters Bar
Hertfordshire
EN6 3JF

Registered number: 00489736 (England and Wales)

Auditors: Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
West Midlands
B15 3BE

Strategic Report
for the year ended 31 December 2022

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

Principal activities and business review

The principal activity of the company during the year was that of supply and installation of perimeter and high security perimeter security solutions.

2022 saw significant increase in turnover as a result of multiple larger scales projects being awarded, leading to a strong year for the company on a year-on-year basis with 2023 also expected to be a strong year with a very strong order book in hand.

Principal risks and uncertainties

The risks facing the company are assessed on an ongoing basis. The directors evaluate the likelihood and potential impact of each risk and ensure appropriate action is taken to mitigate where possible.

A number of key risks such as credit management, health & safety and regulatory compliance come under the direct control of the directors.

The company enjoys a good spread of markets and customers with exciting opportunities presenting themselves.

Performance and development

We consider that our key performance indicators are those that communicate the financial performance and strength of the company, these being turnover and operating profit. Compared to previous years this has seen growth despite some uncertainty in the global supply chain as a result of the conflict in Ukraine and high UK inflation.

Turnover has increased to £13.74m from £10.93m in 2021, an increase of 25.7%. Operating profit has also increased, up to £1.16m from £1.03m in 2021. Operating profit margins have fallen to 8.45% from 9.40% due to cost pressures in an inflationary environment.

The company is focussed on further developing existing and associated markets making the most of the specialist knowledge, skills and reputation of the business in these markets.

On behalf of the board:

A D H Binns - Director

28 September 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 general and fencing contractors.

Dividends

The total distribution of dividends for the year ended 31 December 2022 will be £750,000.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Directors

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

M C Earls
A R Henman
A D H Binns
C J Hackett

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, we continue to adopt the going concern basis in preparing the financial statements.

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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 December 2022

Auditors

The auditors, Haines Watts Birmingham LLP, are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

On behalf of the board:

A D H Binns - Director

28 September 2023

Report of the Independent Auditors to the Members of
Binns Fencing Limited

Opinion

We have audited the financial statements of Binns Fencing Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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 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.

Report of the Independent Auditors to the Members of
Binns Fencing Limited

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.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included, but were not limited to:

- making enquires of directors and management as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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.

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.

Hannah Murphy ACA (Senior Statutory Auditor)
for and on behalf of Haines Watts Birmingham LLP
5-6 Greenfield Crescent
Edgbaston
Birmingham
West Midlands
B15 3BE

29 September 2023

**Statement of Comprehensive
Income
for the year ended 31 December 2022**

	Notes	2022 £	2021 £
Turnover	3	13,738,603	10,925,903
Cost of sales		(10,303,308)	(8,195,978)
Gross profit		3,435,295	2,729,925
Administrative expenses		(2,382,285)	(1,809,393)
		1,053,010	920,532
Other operating income	4	108,067	106,670
Operating profit	7	1,161,077	1,027,202
Interest receivable and similar income		424	-
Profit before taxation		1,161,501	1,027,202
Tax on profit	8	(225,793)	(144,089)
Profit for the financial year		935,708	883,113
Other comprehensive income		-	-
Total comprehensive income for the year		935,708	883,113

The notes on pages 10 to 17 form part of these financial statements

BINNS FENCING LIMITED (REGISTERED NUMBER: 00489736)

Statement of Financial Position
31 December 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	10		2,898,080		2,786,237
Current assets					
Stocks	11	436,639		396,208	
Debtors	12	1,876,102		1,045,081	
Cash at bank and in hand		1,996,620		2,564,692	
		4,309,361		4,005,981	
Creditors					
Amounts falling due within one year	13	1,028,177		878,042	
Net current assets			3,281,184		3,127,939
Total assets less current liabilities			6,179,264		5,914,176
Provisions for liabilities	15		110,999		31,619
Net assets			6,068,265		5,882,557
Capital and reserves					
Called up share capital	16		100,000		100,000
Revaluation reserve	17		1,606,507		1,606,507
Retained earnings	17		4,361,758		4,176,050
Shareholders' funds			6,068,265		5,882,557

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2023 and were signed on its behalf by:

A D H Binns - Director

Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
Balance at 1 January 2021	100,000	3,592,937	1,606,507	5,299,444
Changes in equity				
Dividends	-	(300,000)	-	(300,000)
Total comprehensive income	-	883,113	-	883,113
Balance at 31 December 2021	<u>100,000</u>	<u>4,176,050</u>	<u>1,606,507</u>	<u>5,882,557</u>
Changes in equity				
Dividends	-	(750,000)	-	(750,000)
Total comprehensive income	-	935,708	-	935,708
Balance at 31 December 2022	<u>100,000</u>	<u>4,361,758</u>	<u>1,606,507</u>	<u>6,068,265</u>

Notes to the Financial Statements
for the year ended 31 December 2022

1. **Statutory information**

Binns Fencing 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 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 as modified by the revaluation of certain assets.

Going concern

The directors have considered the level of retained earnings and the expected results for 12 months from authorising these financial statements. The directors believe the company is well placed to manage its business risks successfully and have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Preparation of consolidated financial statements

The company is included by full consolidation in the consolidated financial statements of its ultimate parent company, Zaun Limited. The registered office of Zaun Limited is: Steel Drive, Wolverhampton, WV10 9ED.

Significant judgements and estimates

The preparation of financial statements requires the use of certain accounting estimates. It also requires the directors to exercise judgement in applying the company's accounting policies. The areas requiring a higher degree of judgement, or complexity, and areas where assumptions or estimates are most significant to the financial statements, are disclosed below:

Long-term contract work in progress

In respect of long term contracts, profit is only recognised when the contracts outcome can be ascertained with reasonable certainty. Long term contracts are assessed on a contract by contract basis and reflected in the profit and loss account by recording turnover and related costs as the contract progresses. The stage of completion of the contract is assessed by comparing the cost of the work completed at the financial year end to the total anticipated cost of the contract.

Depreciation of tangible fixed assets

Depreciation is calculated based on an estimate of the useful economic life of each category of fixed assets together with an estimate of the assets' residual values. The estimates of each asset category's useful economic life have been stated below.

Stock and bad debt provisions

At each reporting date, stocks and trade debtors are assessed for impairment. If stock or debtors are impaired, the carrying amount is reduced to its selling price less costs to sell or recoverable amount. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Land and buildings held at valuation

Professional valuations are undertaken periodically. In the interim the directors assess the fair value of the land and buildings to consider whether there has been any material change.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services in the ordinary nature of the business, net of Value Added Tax. In the case of long term contracts, credit is taken appropriate to the stage of completion when the outcome of the contract can be ascertained with reasonable certainty.

Notes to the Financial Statements - continued
for the year ended 31 December 2022

2. Accounting policies - continued

Tangible fixed assets

Tangible fixed assets are initially recognised at cost less accumulated depreciation and any accumulated impairment losses.

Land and Buildings are subsequently stated at valuation. Professional valuations are undertaken on a periodic basis with the last being in October 2016. In the interim at each financial year end the directors consider whether there has been any material change in value since the last reporting date (please see note 10).

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

Land and Buildings	-	2% on cost
Plant and Machinery	-	20% on cost
Fixtures and Fittings	-	10% on cost
Motor vehicles	-	25% on reducing balance

Stocks

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

Costs included all direct expenditure and an appropriate proportion of fixed and variable overheads.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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 statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Hire purchase and leasing commitments

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.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Notes to the Financial Statements - continued
for the year ended 31 December 2022

3. **Turnover**

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

An analysis of turnover by geographical market is given below:

	2022 £	2021 £
United Kingdom	13,243,132	10,900,099
Europe	482,307	2,565
Rest of the world	13,164	23,239
	<u>13,738,603</u>	<u>10,925,903</u>

4. **Other operating income**

	2022 £	2021 £
Rents received	106,601	106,475
Bank interest receivable	1,466	195
	<u>108,067</u>	<u>106,670</u>

5. **Employees and directors**

	2022 £	2021 £
Wages and salaries	2,078,416	1,981,821
Social security costs	247,669	222,687
Other pension costs	121,142	112,970
	<u>2,447,227</u>	<u>2,317,478</u>

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

	2022	2021
Administration	14	13
Operations	32	31
	<u>46</u>	<u>44</u>

6. **Directors' emoluments**

	2022 £	2021 £
Directors' remuneration	299,906	257,495
Directors' pension contributions to money purchase schemes	57,250	54,063

Information regarding the highest paid director is as follows:

	2022 £	2021 £
Emoluments etc	132,316	126,909
Pension contributions to money purchase schemes	<u>13,650</u>	<u>13,650</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2022

7. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Hire of plant and machinery	544,248	377,240
Other operating leases	-	2,000
Depreciation - owned assets	133,920	101,255
Loss on disposal of fixed assets	5,509	5,191
Auditors' remuneration	11,000	10,000
Auditors' remuneration for non audit work	<u>1,800</u>	<u>2,000</u>

8. 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	193,008	141,595
Over/under provision in prior year	(46,595)	-
Total current tax	<u>146,413</u>	<u>141,595</u>
Deferred tax	79,380	2,494
Tax on profit	<u>225,793</u>	<u>144,089</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 higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
Profit before tax	<u>1,161,501</u>	<u>1,027,202</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	220,685	195,168
Effects of:		
Expenses not deductible for tax purposes	13,922	7,826
Income not taxable for tax purposes	(279)	(37)
Capital allowances in excess of depreciation	(32,416)	(16,158)
Utilisation of tax losses	(8,904)	(45,204)
Adjustments to tax charge in respect of previous periods	(46,595)	-
Deferred tax provision movement	79,380	2,494
Total tax charge	<u>225,793</u>	<u>144,089</u>

Factors that may effect future tax charges

The main rate of corporation tax in force at the Statement of Financial Position date was 19%. A resolution to amend the corporation tax rate from 1 April 2023 was passed on 3 March 2021, at which point the main rate of corporation tax will increase to 25%. A small profits rate of 19% for companies with profits not exceeding £50k will take effect from the same date.

The deferred taxation balance has therefore been calculated at 25%, being the rate substantively enacted at the Statement of Financial Position date.

Notes to the Financial Statements - continued
for the year ended 31 December 2022

9. Dividends

	2022	2021
	£	£
Ordinary shares of £1 each		
Interim	<u>750,000</u>	<u>300,000</u>

10. Tangible fixed assets

	Land and Buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost or valuation					
At 1 January 2022	2,616,500	83,787	281,046	481,697	3,463,030
Additions	-	9,057	-	254,547	263,604
Disposals	-	-	-	(48,262)	(48,262)
At 31 December 2022	<u>2,616,500</u>	<u>92,844</u>	<u>281,046</u>	<u>687,982</u>	<u>3,678,372</u>
Depreciation					
At 1 January 2022	167,723	80,867	240,081	188,122	676,793
Charge for year	32,997	3,122	8,127	89,674	133,920
Eliminated on disposal	-	-	-	(30,421)	(30,421)
At 31 December 2022	<u>200,720</u>	<u>83,989</u>	<u>248,208</u>	<u>247,375</u>	<u>780,292</u>
Net book value					
At 31 December 2022	<u>2,415,780</u>	<u>8,855</u>	<u>32,838</u>	<u>440,607</u>	<u>2,898,080</u>
At 31 December 2021	<u>2,448,777</u>	<u>2,920</u>	<u>40,965</u>	<u>293,575</u>	<u>2,786,237</u>

Included in cost or valuation of land and buildings is freehold land of £ 939,274 (2021 - £ 939,274) which is not depreciated.

Cost or valuation at 31 December 2022 is represented by:

	Land and Buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Valuation in 2015	763,206	-	-	-	763,206
Valuation in 2016	553,410	-	-	-	553,410
Cost	<u>1,299,884</u>	<u>92,844</u>	<u>281,046</u>	<u>687,982</u>	<u>2,361,756</u>
	<u>2,616,500</u>	<u>92,844</u>	<u>281,046</u>	<u>687,982</u>	<u>3,678,372</u>

If Land and buildings had not been revalued they would have been included at the following historical cost:

	2022	2021
	£	£
Cost	<u>1,229,884</u>	<u>1,229,884</u>
Aggregate depreciation	<u>(397,378)</u>	<u>(382,113)</u>
Value of land in freehold land and buildings	<u>466,634</u>	<u>466,634</u>

Land and buildings were valued on an open market basis on 31 December 2016 by Alpha Browett Taylor .

Notes to the Financial Statements - continued
for the year ended 31 December 2022

11. Stocks		
	2022	2021
	£	£
Work-in-progress	<u>436,639</u>	<u>396,208</u>
12. Debtors: amounts falling due within one year		
	2022	2021
	£	£
Trade debtors	906,379	208,152
Amounts owed by group undertakings	649,040	491,050
Other debtors	1,000	1,190
VAT	222,368	256,299
Prepayments	97,315	88,390
	<u>1,876,102</u>	<u>1,045,081</u>
13. Creditors: amounts falling due within one year		
	2022	2021
	£	£
Trade creditors	413,334	417,364
Amounts owed to group undertakings	75,395	62,721
Corporation tax	145,990	141,595
Social security and other taxes	154,310	141,401
Other creditors	143,864	66,268
Accruals and deferred income	95,284	48,693
	<u>1,028,177</u>	<u>878,042</u>
14. Leasing agreements		
Minimum lease payments under non-cancellable operating leases fall due as follows:		
	2022	2021
	£	£
Within one year	3,256	3,256
Between one and five years	6,942	10,198
	<u>10,198</u>	<u>13,454</u>
15. Provisions for liabilities		
	2022	2021
	£	£
Deferred tax		
Accelerated capital allowances	110,999	-
Other timing differences	-	31,619
	<u>110,999</u>	<u>31,619</u>
		Deferred tax
		£
Balance at 1 January 2022		31,619
Charge to Statement of Comprehensive Income during year		79,380
Balance at 31 December 2022		<u>110,999</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2022

16. **Called up share capital****Allotted, issued and fully paid:**

Number:	Class:	Nominal value:	2022	2021
		£1	£	£
100,000	Ordinary		<u>100,000</u>	<u>100,000</u>

17. **Reserves**

	Retained earnings	Revaluation reserve	Totals
	£	£	£
At 1 January 2022	4,176,050	1,606,507	5,782,557
Profit for the year	935,708	-	935,708
Dividends	(750,000)	-	(750,000)
At 31 December 2022	<u>4,361,758</u>	<u>1,606,507</u>	<u>5,968,265</u>

Called up share capital

Share capital records the nominal value of shares in issue.

Retained earnings

Retained earnings includes all current and previous period retained profits and losses.

Revaluation reserve

The revaluation reserve represents non-distributable reserves which reflect unrealised gains and losses on land and buildings carried at fair value.

18. **Related party disclosures**

During the period the company sold goods to the value of £66,847 (2021: £516,276) and purchased services to the value of £2,368,866 (2021: £1,714,525) from Zaun Limited. Also during the period management charges to the value of £336,603 (2021: £150,000) were paid to Zaun Limited, the ultimate parent. At the year end, the company was owed £649,040 from Zaun Limited (2021: £491,050).

During the period management charges to the value of £96,396 (2021: £78,000) were paid to Lockenfeld Limited, the 100% shareholder. During the period, dividends were paid to Lockenfeld Limited totalling £750,000 (2021: £300,000). At the year end, the company owed £12,674 (2021: £Nil) to Lockenfeld Limited.

During the period the company purchased services totalling £4,800 (2021: £1,500) from Association of Fencing Industries Limited, a company in which A Binns and C Hackett are directors.

Also at the year end there was a balance owing to A J Binns Limited of £62,721 (2021: £62,721), a 100% owned subsidiary of Lockenfeld Limited.

The key management personnel consists solely of the directors, remuneration for which is shown in note 6.

19. **Post balance sheet events**

In January 2023 a de-merger took place in which Binns Fencing Limited and its immediate parent company Lockenfeld Limited were separated from the Zaun Limited group.

Following the group reorganisation, the ultimate parent company became Binns Group Limited, a company registered in England and Wales (company number 14490045) and the registered office is Steel Drive, Wolverhampton, United Kingdom, WV10 9ED. The company is controlled by its directors.

20. **Controlling party**

At the year end the immediate parent company is Lockenfeld Limited, a company registered in the England and Wales (company number 09516101) and the registered office is Steel Drive, Wolverhampton, WV10 9ED.

At the year end the ultimate parent company by virtue of its 100% ownership of Lockenfeld Limited is Zaun Limited, a company registered in the England and Wales (company number 03275214) and the registered office is Steel Drive, Wolverhampton, WV10 9ED.

The results of Binns Fencing Limited are included in the consolidated accounts of Zaun Limited.

The company is controlled by its 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.