

Company registration number 00791122 (England and Wales)

C & S STEELS (WOLVERHAMPTON) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2023

C & S STEELS (WOLVERHAMPTON) LIMITED

COMPANY INFORMATION

Directors	Mr J Cook Mr R G R Cook
Secretary	Miss M Bratch
Company number	00791122
Registered office	Highfields Rd Bilston West Midlands United Kingdom WV14 0LQ
Auditor	BK Plus Audit Limited 29 Waterloo Road Wolverhampton West Midlands WV1 4DJ

C & S STEELS (WOLVERHAMPTON) LIMITED

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C & S STEELS (WOLVERHAMPTON) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2023

The directors present the strategic report for the year ended 28 February 2023.

Principal activities

The principal activity of the company continued to be that of the manufacture and stockholding of bright bar and steel stockholding.

Review of the business

The directors report that the company has maintained its position within the market place.

The key performance indicators used to monitor performance are turnover, gross profit margin and operating profit. Turnover increased by 13% from £10,854,014 to £12,258,421, as increased material availability post COVID allowed increased sales fulfilment. Gross profit margin has decreased from 16.06% to 14.26% and operating profit has decreased from £307,574 to £298,027.

The company continues to make progress in achieving increased efficiencies and is well placed to compete in a market that remains very competitive with results into the next financial year being very resilient.

The directors consider the company's position at the year end to be satisfactory.

Principal risks and uncertainties

The key risk and uncertainty for the company is the continuing impact of COVID and the as yet unknown implications of Brexit.

Development and performance

The company is continuing to try and extend its range of products and related services to help achieve an increase in its customer base.

By order of the board

Miss M Bratch

Secretary

29 November 2023

C & S STEELS (WOLVERHAMPTON) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2023

The directors present their annual report and financial statements for the year ended 28 February 2023.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Cook

Mr R G R Cook

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board

Miss M Bratch

Secretary

29 November 2023

C & S STEELS (WOLVERHAMPTON) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 28 FEBRUARY 2023

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

C & S STEELS (WOLVERHAMPTON) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF C & S STEELS (WOLVERHAMPTON) LIMITED

Opinion

We have audited the financial statements of C & S Steels (Wolverhampton) Limited (the 'company') for the year ended 28 February 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 28 February 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's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

C & S STEELS (WOLVERHAMPTON) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF C & S STEELS (WOLVERHAMPTON) LIMITED

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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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 directors' responsibilities statement, 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's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

From the preliminary of the audit, we ensure our understanding of the entity is up to date. This includes, but is not limited to, current knowledge of their activities, the business and control environments, and their compliance with the applicable legal and regulatory frameworks. This information supports our risk identification and the subsequent design of audit procedures to mitigate those risks; ensuring the that the audit evidence obtained is sufficient and appropriate to support our opinion.

In response to the risks identified, specific to this entity, we designed procedures which included, but were not limited to:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance, if available;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale for significant transactions outside the normal course of the business.

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

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

C & S STEELS (WOLVERHAMPTON) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF C & S STEELS (WOLVERHAMPTON) LIMITED

Richard Haydon FCA
Senior Statutory Auditor
For and on behalf of BK Plus Audit Limited

29 November 2023

Chartered Accountants
Statutory Auditor

29 Waterloo Road
Wolverhampton
West Midlands
WV1 4DJ

C & S STEELS (WOLVERHAMPTON) LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2023

	Notes	2023 £	2022 £
Turnover	3	12,258,421	10,854,014
Cost of sales		(10,510,551)	(9,110,418)
Gross profit		1,747,870	1,743,596
Administrative expenses		(1,449,925)	(1,441,374)
Other operating income		189	5,352
Operating profit	4	298,134	307,574
Interest payable and similar expenses	7	(107)	-
Profit before taxation		298,027	307,574
Tax on profit	8	(100,916)	(57,965)
Profit for the financial year		197,111	249,609

The profit and loss account has been prepared on the basis that all operations are continuing operations.

C & S STEELS (WOLVERHAMPTON) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2023

	2023	2022
	£	£
Profit for the year	197,111	249,609
Other comprehensive income	-	-
Total comprehensive income for the year	<u>197,111</u>	<u>249,609</u>

C & S STEELS (WOLVERHAMPTON) LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		886,909		871,585
Current assets					
Stocks	11	2,216,437		2,231,304	
Debtors	12	2,924,260		3,054,351	
Cash at bank and in hand		840,206		649,607	
		5,980,903		5,935,262	
Creditors: amounts falling due within one year	13	(2,521,331)		(2,710,022)	
Net current assets			3,459,572		3,225,240
Total assets less current liabilities			4,346,481		4,096,825
Provisions for liabilities					
Deferred tax liability	14	200,172		147,627	
			(200,172)		(147,627)
Net assets			4,146,309		3,949,198
Capital and reserves					
Called up share capital	16		1,500		1,500
Share premium account	17		3,750		3,750
Capital redemption reserve	18		500		500
Profit and loss reserves	19		4,140,559		3,943,448
Total equity			4,146,309		3,949,198

The financial statements were approved by the board of directors and authorised for issue on 29 November 2023 and are signed on its behalf by:

Mr R G R Cook
Director

Company registration number 00791122 (England and Wales)

C & S STEELS (WOLVERHAMPTON) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2023

	Notes	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 March 2021		1,500	3,750	500	3,832,839	3,838,589
Year ended 28 February 2022:						
Profit and total comprehensive income		-	-	-	249,609	249,609
Dividends	9	-	-	-	(139,000)	(139,000)
Balance at 28 February 2022		1,500	3,750	500	3,943,448	3,949,198
Year ended 28 February 2023:						
Profit and total comprehensive income		-	-	-	197,111	197,111
Balance at 28 February 2023		1,500	3,750	500	4,140,559	4,146,309

C & S STEELS (WOLVERHAMPTON) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	21	318,490		51,491	
Interest paid		(107)		-	
Income taxes paid		(61,984)		(16,224)	
Net cash inflow from operating activities		256,399		35,267	
Investing activities					
Purchase of tangible fixed assets		(65,800)		(27,248)	
Proceeds from disposal of tangible fixed assets		-		4,000	
Net cash used in investing activities		(65,800)		(23,248)	
Financing activities					
Dividends paid		-		(139,000)	
Net cash used in financing activities		-		(139,000)	
Net increase/(decrease) in cash and cash equivalents		190,599		(126,981)	
Cash and cash equivalents at beginning of year		649,607		776,588	
Cash and cash equivalents at end of year		840,206		649,607	

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

Company information

C & S Steels (Wolverhampton) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Highfields Rd, Bilston, West Midlands, United Kingdom, WV14 0LQ.

1.1 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" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 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.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

1.4 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Between 4 and 10 years
Plant and equipment	Between 4 and 10 years
Fixtures and fittings	Between 4 and 20 years
Motor vehicles	Between 4 and 10 years

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.

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 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.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 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 in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

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

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

Derecognition of financial assets

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

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.14 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.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

2 Judgements and key sources of estimation uncertainty

In the preparation of the financial statements, management makes certain judgements and estimates that impact the financial statements. The judgements, estimates and assumptions that have the most significant effect on the carrying value of assets and liabilities of the company as at 28th February 2023 are discussed below:-

Carrying value of stocks

Allowance for slow moving and loss making stock is based on estimates determined by market knowledge and past experience.

Taxation

Deferred tax liabilities are generally provided for in full and deferred tax assets are recognised to the extent that it is judged probable that future taxable profit will arise against which the temporary differences will be utilised.

Carrying value of trade and other receivables

Allowance for doubtful debt and provisions against other receivables, are made on a specific basis, based on estimates or irrecoverability determined by market knowledge and past experience.

3 Turnover and other revenue

	2023	2022
	£	£
Turnover analysed by geographical market		
UK	12,001,339	10,413,331
EU countries	257,082	440,683
	<u>12,258,421</u>	<u>10,854,014</u>

	2023	2022
	£	£
Other revenue		
Commissions received	35	4,183
Grants received	154	1,169
	<u>189</u>	<u>5,352</u>

4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(3,018)	-
Government grants	(154)	(1,169)
Fees payable to the company's auditor for the audit of the company's financial statements	11,000	15,650
Depreciation of owned tangible fixed assets	50,476	59,822
Profit on disposal of tangible fixed assets	-	(1,200)
Operating lease charges	<u>501,925</u>	<u>574,645</u>

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

5 Employees

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

	2023 Number	2022 Number
Distribution staff	12	7
Production staff	15	14
Administrative staff	6	6
Total	33	27

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	965,923	856,095
Social security costs	79,596	64,521
Pension costs	14,284	12,083
	1,059,803	932,699

6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	290,000	260,000

7 Interest payable and similar expenses

	2023 £	2022 £
Other finance costs:		
Other interest	107	-

8 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	48,371	61,984

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

8 Taxation

(Continued)

	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	52,545	(4,019)
	<u>52,545</u>	<u>(4,019)</u>
 Total tax charge	 100,916	 57,965
	<u>100,916</u>	<u>57,965</u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	298,027	307,574
	<u>298,027</u>	<u>307,574</u>
 Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	 56,625	 58,439
Effect of expenses not deductible for tax purposes	-	828
Additional allowances on super deduction	(3,750)	(1,302)
Effect of change in rate of tax	48,041	-
	<u>48,041</u>	<u>-</u>
 Taxation charge for the year	 100,916	 57,965
	<u>100,916</u>	<u>57,965</u>

9 Dividends

	2023 £	2022 £
Interim paid	-	139,000
	<u>-</u>	<u>139,000</u>

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

10 Tangible fixed assets

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 March 2022	378,967	854,743	1,588,480	95,605	2,917,795
Additions	-	60,179	5,621	-	65,800
At 28 February 2023	378,967	914,922	1,594,101	95,605	2,983,595
Depreciation and impairment					
At 1 March 2022	378,001	334,671	1,247,384	86,154	2,046,210
Depreciation charged in the year	-	20,769	27,336	2,371	50,476
At 28 February 2023	378,001	355,440	1,274,720	88,525	2,096,686
Carrying amount					
At 28 February 2023	966	559,482	319,381	7,080	886,909
At 28 February 2022	966	520,072	341,096	9,451	871,585

11 Stocks

	2023 £	2022 £
Finished goods and goods for resale	2,216,437	2,231,304

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	2,819,021	2,955,576
Other debtors	2,113	-
Prepayments and accrued income	103,126	98,775
	2,924,260	3,054,351

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,127,903	1,563,551
Corporation tax	48,371	61,984
Other taxation and social security	321,735	372,622
Other creditors	632,727	549,727
Accruals and deferred income	390,595	162,138
	<u>2,521,331</u>	<u>2,710,022</u>

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Revaluations	<u>200,172</u>	<u>147,627</u>
Movements in the year:		2023 £
Liability at 1 March 2022		147,627
Charge to profit or loss		52,545
Liability at 28 February 2023		<u>200,172</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

15 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>14,284</u>	<u>12,083</u>

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

16 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

16 Share capital (Continued)

17 Share premium account

This reserve represents the amount above the nominal value received for shares sold, less transaction costs.

18 Capital redemption reserve

Capital redemption reserve represents 500 Ordinary shares with a nominal value of £1 which were redeemed by the company in prior years.

19 Profit and loss reserves

This reserve includes all current and prior period retained profits and losses and measurement of fair value as deemed cost on transition to FRS 102 of some classes of fixed assets.

20 Related party transactions

The company is controlled by Mr R G R Cook, a director of the company.

The properties from which the company trades are owned by Mr R G R Cook. No formal lease exists. The annual rentals charged in respect of these is £305,000. (2022: £366,000).

The balance owed to the directors at the year end was £632,727 (2022: £549,727).

During the year, the directors received a dividend of £NIL (2022: £139,000).

21 Cash generated from operations

	2023 £	2022 £
Profit for the year after tax	197,111	249,609
Adjustments for:		
Taxation charged	100,916	57,965
Finance costs	107	-
Gain on disposal of tangible fixed assets	-	(1,200)
Depreciation and impairment of tangible fixed assets	50,476	59,822
Movements in working capital:		
Decrease/(increase) in stocks	14,867	(898,007)
Decrease/(increase) in debtors	130,091	(671,451)
(Decrease)/increase in creditors	(175,078)	1,254,753
Cash generated from operations	<u>318,490</u>	<u>51,491</u>

C & S STEELS (WOLVERHAMPTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2023

22 Analysis of changes in net funds

	1 March 2022	Cash flows	28 February 2023
	£	£	£
Cash at bank and in hand	649,607	190,599	840,206
	<u> </u>	<u> </u>	<u> </u>

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.