Company Registration number: 02912016

Portland Stone Firms Limited
Annual Report and Consolidated Financial Statements
for the Year Ended 31 March 2023

PORTLAND STONE FIRMS LIMITED

Contents

Company Information	1
Strategic Report	2 to 3
Directors' Report	4
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6 to 9
Consolidated Profit and Loss Account	10
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16
Notes to the Financial Statements	17 to 35

PORTLAND STONE FIRMS LIMITED

Company Information

Directors	M Stewkesbury M J Smith
Company secretary	E Smith
Registered office	Leanne House 6 Avon Close Weymouth Dorset DT4 9UX
Auditors	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton Somerset TA1 2PX

Strategic Report for the Year Ended 31 March 2023

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

Principal activity

The principal activity of the company is the quarrying, mining and manufacture of Portland Stone from its landholdings.

Fair review of the business

The group maintained its strong order intake with an upturn in the market. An increased focus on niche masonry sales and previously delayed manufacture information being released from our customers, significantly increased turnover and profitability.
The group continues to invest in its quarry, mining and factory plant, consolidating the commitment to delivering quality products to an expanding client base, whilst retaining existing custom.
This has been reflected in a strong performance in the year with increases in turnover, gross and net profit despite cost pressure, particularly relating to energy and fuel. To mitigate the impact of these costs, the company invested in solar panels during the year to reduce costs and improve the company's environmental footprint.
The results for the year have strengthened the group's balance sheet with a significant increase in net current assets and a continued reduction in hire purchase obligations. The group does not have any bank debt.
As disclosed in note 1, these financial statements include a correction for a prior period error in the year to 31 March 2022 due to the group over accruing royalties payable to landowners of £170,000.

The group's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2023	2022
Turnover	£	4,624,430	3,670,742
Gross profit	£	1,677,028	934,791
(Loss)/Profit before tax	£	522,976	(220,916)

The balance sheet remains strong with net assets of £7.6m.

Future developments

The masonry market remains buoyant, and we anticipate the demand to remain high for the foreseeable future. With additional investment in new quarry and factory plant efficiencies continue to improve.
Considering the cash position, order book, banking facilities available and the potential for additional borrowing based on the investment property and other assets held by the group, the Directors have concluded that the group is a going concern for a period of at least the next 12 months from the approval of these accounts and have prepared these accounts on that basis.

Principal risks and uncertainties

Portland stone is a premium construction product and therefore the group is shielded from much of the general economic situation as many of end customers of the group's product are high net worth individuals or it is used in prestigious redevelopments, however approximately 20% of the group's output is used in general construction and a slowdown in house building has affected this product line.
As mentioned above, this is mitigated by the more bespoke and high-end product the group is offering and whilst there has been some slowdown during the year to 31 March 2024, there is a secured order book for the next year, and we remain confident on delivering a quality service, with any impact to broadly focus on dimension block sales should this be a dominant factor.
We continue to place great emphasis on staff training and the health and safety of our employees to not only meet our legal obligations but as part of our retention policies for our skilled workforce.

Approved by the Board on 20 March 2023 and signed on its behalf by:

M J Smith
Director

PORTLAND STONE FIRMS LIMITED

Directors' Report for the Year Ended 31 March 2023

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

Directors of the group

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

M Stewkesbury (Deceased 7 May 2023)

M J Smith

Financial instruments

Objectives and policies

The company manages its working capital requirements by constant review and by using long term funding for fixed assets where appropriate.

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

The company has funding in place with substantial share capital and loans from shareholders. These, together with specific asset backed finance, provide the working capital and finance for capital investment.
Trade debtors are managed by policies concerning the credit offered to customers and regular monitoring of amounts outstanding.

Disclosure of information to the auditor

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

Future Developments

The future developments of the business are included within the strategic report.

Approved by the Board on 20 March 2023 and signed on its behalf by:

M J Smith
Director

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of Portland Stone Firms Limited

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report to the Members of Portland Stone Firms Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

In the light of our knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

Matters on which we are required to report by exception

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 5, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of Portland Stone Firms Limited

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.
Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Kerr FCA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

20 March 2023

PORTLAND STONE FIRMS LIMITED

Consolidated Profit and Loss Account
for the Year Ended 31 March 2023

	Note	2023 £	(As restated) 2022 £
Turnover	3	4,624,430	3,670,742
Cost of sales		(2,947,402)	(2,735,951)
Gross profit		1,677,028	934,791
Administrative expenses		(1,267,755)	(1,260,057)
Other operating income	4	123,145	117,779
Operating profit/(loss)	5	532,418	(207,487)
Other interest receivable and similar income		78	301
Interest payable and similar charges	6	(9,520)	(13,730)
Profit/(loss) before tax		522,976	(220,916)
Taxation	10	(160)	(221,274)
Profit/(loss) for the financial year		522,816	(442,190)
Profit/(loss) attributable to:			
Owners of the company		522,816	(442,190)

Consolidated Statement of Comprehensive Income for the Year Ended 31 March 2023

	2023 £	(As restated) 2022 £
Profit/(loss) for the year	522,816	(442,190)
Total comprehensive income for the year	522,816	(442,190)
Total comprehensive income attributable to:		
Owners of the company	522,816	(442,190)

PORTLAND STONE FIRMS LIMITED

(Registration number: 02912016)
Consolidated Balance Sheet as at 31 March 2023

	Note	2023 £	(As restated) 2022 £
Fixed assets			
Tangible assets	12	4,611,369	4,883,019
Investment property	13	2,634,005	2,634,005
Investments	14	2	2
		7,245,376	7,517,026
Current assets			
Stocks	15	1,551,931	1,271,108
Debtors	16	837,016	612,485
Cash at bank and in hand		679,080	275,303
		3,068,027	2,158,896
Creditors: Amounts falling due within one year	18	(1,592,096)	(1,315,365)
Net current assets		1,475,931	843,531
Total assets less current liabilities		8,721,307	8,360,557
Creditors: Amounts falling due after more than one year	18	(132,014)	(291,694)
Provisions for liabilities	19	(988,439)	(990,825)
Net assets		7,600,854	7,078,038
Capital and reserves			
Called up share capital		511,000	511,000
Revaluation reserve		1,633,745	1,633,745
Profit and loss account		5,456,109	4,933,293
Equity attributable to owners of the company		7,600,854	7,078,038
Total equity		7,600,854	7,078,038

Approved and authorised by the Board on 20 March 2023 and signed on its behalf by:

M J Smith
Director

S M Mansfield
Director

PORTLAND STONE FIRMS LIMITED

(Registration number: 02912016)
Balance Sheet as at 31 March 2023

	Note	2023 £	(As restated) 2022 £
Fixed assets			
Tangible assets	12	4,611,369	4,883,019
Investment property	13	2,634,005	2,634,005
Investments	14	3	3
		7,245,377	7,517,027
Current assets			
Stocks	15	1,551,931	1,271,108
Debtors	16	837,414	612,883
Cash at bank and in hand		678,927	275,150
		3,068,272	2,159,141
Creditors: Amounts falling due within one year	18	(1,592,096)	(1,315,365)
Net current assets		1,476,176	843,776
Total assets less current liabilities		8,721,553	8,360,803
Creditors: Amounts falling due after more than one year	18	(132,014)	(291,694)
Provisions for liabilities	19	(988,439)	(990,825)
Net assets		7,601,100	7,078,284
Capital and reserves			
Called up share capital		511,000	511,000
Revaluation reserve		1,633,745	1,633,745
Retained earnings		5,456,355	4,933,539
Shareholders' funds		7,601,100	7,078,284

The company made a profit after tax for the financial year of £522,816 (2022 - loss of £442,190).

Approved and authorised by the Board on 20 March 2023 and signed on its behalf by:

M J Smith
Director

S M Mansfield
Director

PORTLAND STONE FIRMS LIMITED

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

	Ordinary share capital £	Revaluation reserve £	Profit and loss reserve (as restated) £	Total £	Total equity £
At 1 April 2022	511,000	1,633,745	4,933,293	7,078,038	7,078,038
Movement in year :					
Profit for the year	-	-	522,816	522,816	522,816
Total comprehensive income	-	-	522,816	522,816	522,816
At 31 March 2023	511,000	1,633,745	5,456,109	7,600,854	7,600,854

	Ordinary share capital £	Revaluation reserve £	Profit and loss reserve £	Total £	Total equity £
At 1 April 2021	511,000	2,750,647	4,258,581	7,520,228	7,520,228
Movement in year :					
Loss for the year (as restated)	-	-	(442,190)	(442,190)	(442,190)
Total comprehensive income	-	-	(442,190)	(442,190)	(442,190)
Realisation of gain on sale of investment property	-	(1,116,902)	1,116,902	-	-
Total movement for the year	-	(1,116,902)	674,712	(442,190)	(442,190)
At 31 March 2022 (as restated)	511,000	1,633,745	4,933,293	7,078,038	7,078,038

PORTLAND STONE FIRMS LIMITED

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

	Ordinary share capital £	Revaluation reserve £	Profit and loss reserve (as restated) £	Total £
At 1 April 2022	511,000	1,633,745	4,933,539	7,078,284
Movement in year :				
Profit for the year	-	-	522,816	522,816
Total comprehensive income	-	-	522,816	522,816
At 31 March 2023	511,000	1,633,745	5,456,355	7,601,100

	Ordinary share capital £	Revaluation reserve £	Profit and loss reserve £	Total £
At 1 April 2021	511,000	2,750,647	4,258,827	7,520,474
Movement in year :				
Loss for the year (as restated)	-	-	(442,190)	(442,190)
Total comprehensive income	-	-	(442,190)	(442,190)
Realisation of gain on sale of investment property	-	(1,116,902)	1,116,902	-
	-	(1,116,902)	674,712	(442,190)
At 31 March 2022 (as restated)	511,000	1,633,745	4,933,539	7,078,284

PORTLAND STONE FIRMS LIMITED

Consolidated Statement of Cash Flows
for the Year Ended 31 March 2023

	Note	2023 £	(As restated) 2022 £
Cash flows from operating activities			
Profit/(loss) for the year		522,816	(442,190)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	455,396	748,559
Profit on disposal of tangible assets		(13,432)	(6,919)
Loss from sales of investment properties		21,047	162,755
Finance income		(78)	(301)
Finance costs	6	9,520	13,730
Income tax expense	10	160	221,274
		995,429	696,908
Working capital adjustments			
(Increase)/decrease in stocks	15	(280,823)	8,265
(Increase)/decrease in trade debtors	16	(224,531)	29,605
Increase/(decrease) in trade creditors	18	368,985	(165,837)
Cash generated from operations		859,060	568,941
Income taxes paid	10	(54,271)	-
Net cash flow from operating activities		804,789	568,941
Cash flows from investing activities			
Interest received		78	301
Acquisitions of tangible assets		(184,246)	(161,165)
Proceeds from sale of tangible assets		13,932	13,000
Acquisition of investment properties	13	-	(62,107)
Proceeds from sale of investment properties		-	1,112,000
Net cash flows from investing activities		(170,236)	902,029
Cash flows from financing activities			
Interest paid	6	(9,520)	(13,730)
Repayment of bank borrowing		-	(71,279)
Repayment of other borrowing		-	(1,328,937)
Payments to finance lease creditors		(221,256)	(231,086)
Net cash flows from financing activities		(230,776)	(1,645,032)
Net increase/(decrease) in cash and cash equivalents		403,777	(174,062)
Cash and cash equivalents at 1 April 2022		275,303	449,365
Cash and cash equivalents at 31 March 2023		679,080	275,303

1 General information

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

The address of its registered office is:
Leanne House
6 Avon Close
Weymouth
Dorset
DT4 9UX

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

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

These financial statements are presented in Sterling (£).

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2023.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.
The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.
Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.
Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.
Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Changes in accounting estimate

Depreciation of mining equipment

In line with management's assessment of the residual economic value of the group's large mining equipment, the depreciation calculation has been amended in the current year to include a residual value.
This has had the effect of reducing the depreciation charge by £204,339 in the current year.

Prior period errors

The accounts for the year ended 31 March 2022 contained an accrual for royalties based on management's expectations of the amounts payable to landowners for mining activity carried out by the group..
Subsequently it has been determined that this accrual was overstated by £170,000. This had the effect of overstating the group's loss for the year ended 31 March 2022 by this amount less the corporation tax deduction of £32,300. Net assets were therefore understated by £137,700.

Judgements

As set out in the Strategic Report, the directors have concluded that the group is a going concern for a period of at least 12 months from the date of approval of these accounts. This assessment takes into account the cash resources of the company, the potential for additional borrowing based on the investment property and other assets held by the group and the known orders in place for the year ahead.

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.
The estimates and underlying assumptions are reviewed on an ongoing basis. Any revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period. If the revision affects both current and future periods then it is recognised in both the current and future periods.

The group has significant holdings of land in a relatively small area on the Island of Portland and with comparatively little market data available on which to base the valuation of investment property. The valuation of the investment property takes into account information that is available, including from previous independent valuations and also prices obtained when land has been disposed of.

The group also depreciates its mineral holdings, held within land and buildings, based on the volume of stone that is extracted from its holdings. This is an estimate only as there is no certainty over the size and quality of the mineral holdings not yet extracted with the estimate based on survey reports.

The group depreciates its plant and machinery at 20% reducing balance. Included in this class of assets are large mining machines which the directors consider to have a residual value. Accordingly, in these accounts, the depreciation calculation has been amended and a reduction to the historic depreciation charged has been included totalling £204,339.

Turnover recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods provided to customers.
Turnover is recognised on despatch of goods.

Government grants

Government grants are recognised under the accruals model resulting in income being recognised on a systematic basis over the period in which the related costs are incurred for which the grant is compensating. The income from the scheme is recognised as other income in the profit and loss and timing differences present as other debtors or deferred income within the balance sheet.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.
Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

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

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

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.
The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.
Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

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

Asset class	Depreciation method and rate
Freehold land	In proportion to the minerals extracted during the year
Short leasehold land and buildings	Over the term of the lease
Plant and machinery	20% reducing balance
Motor vehicles	25% reducing balance

Freehold land, not classed as investment property, where there is no mining or quarrying activity is not depreciated.

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	Fully written off

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.
Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

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

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.
Loans receivable are measured initially at fair value, net of transaction cost, and subsequently at amortised cost using the effective interest method less any impairment.

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.
Other financial liabilities are measured initially at fair value, net of transaction costs, and subsequently at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.
Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.
Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
Assets held under hire purchase agreements are capitalised as tangible fixed assets with the future obligation being recognised as a liability. Finance costs are recognised in the Profit and Loss Account calculated at a constant periodic rate of interest over the term of the liability.

Reserves

Called up share capital represents the nominal value of shares that have been issued.
Profit and loss account includes all current and prior period profits and losses.
Revaluation reserve is the surplus or deficit arising on the revaluation of an asset of a company.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.
Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.
Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payments obligations.
The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

Share capital

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

3 Turnover

The analysis of the group's turnover for the year from continuing operations is as follows:

	2023 £	2022 £
Sale of goods	4,552,949	3,575,550
Other revenue	71,481	95,192
	4,624,430	3,670,742

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2023 £	2022 £
Government grants	-	4,008
Rental income	123,145	113,771
	123,145	117,779

5 Operating profit/(loss)

Arrived at after charging/(crediting):

	2023 £	2022 £
Depreciation expense	455,396	748,559
Operating lease expense - other	467	-
Profit on disposal of tangible fixed assets	(13,432)	(6,919)

6 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and borrowings	-	150
Interest on obligations under finance leases and hire purchase contracts	10,729	12,399
Foreign exchange (losses)/gains	(1,209)	1,181
	9,520	13,730

7 Staff costs

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

	2023 £	2022 £
Wages and salaries	1,742,006	1,509,602
Social security costs	169,476	306,122
Pension costs, defined contribution scheme	36,657	72,220
Other employee expense	741	449
	1,948,880	1,888,393

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

	2023 No.	2022 No.
Production	61	52
Administration and support	8	8
	69	60

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2023 £	2022 £
Remuneration	55,612	45,072
Contributions paid to money purchase schemes	1,211	1,319
	56,823	46,391

9 Auditors' remuneration

	2023 £	2022 £
Audit of these financial statements	16,000	13,500

10 Taxation

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

	2023 £	(As restated) 2022 £
Current taxation		
UK corporation tax	108,994	86,571
UK corporation tax adjustment to prior periods	(106,448)	-
	2,546	86,571
Deferred taxation		
Arising from origination and reversal of timing differences	(2,386)	134,703
Tax expense in the profit and loss account	160	221,274

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

	2023 £	(As restated) 2022 £
Profit/(loss) before tax	522,976	(220,916)
Corporation tax at standard rate	99,365	(41,974)
Effect of expense not deductible in determining taxable profit (tax loss)	2,816	247
UK deferred tax expense relating to changes in tax rates or laws	-	237,798
Decrease in UK and foreign current tax from adjustment for prior periods	(106,448)	-
Tax increase from effect of capital allowances and depreciation	4,427	25,203
Total tax charge	160	221,274

11 Intangible assets

Group

	Goodwill £	Total £
Cost or valuation		
At 1 April 2022	2,076,029	2,076,029
At 31 March 2023	2,076,029	2,076,029
Amortisation		
At 1 April 2022	2,076,029	2,076,029
At 31 March 2023	2,076,029	2,076,029
Carrying amount		
At 31 March 2023	-	-

12 Tangible assets

Group

	Land and buildings £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation				
At 1 April 2022	3,590,722	93,518	7,025,981	10,710,221
Additions	66,728	-	117,518	184,246
Disposals	(500)	-	-	(500)
At 31 March 2023	3,656,950	93,518	7,143,499	10,893,967
Depreciation				
At 1 April 2022	1,185,446	52,888	4,588,868	5,827,202
Charge for the year	153,299	8,125	293,972	455,396
At 31 March 2023	1,338,745	61,013	4,882,840	6,282,598
Carrying amount				
At 31 March 2023	2,318,205	32,505	2,260,659	4,611,369
At 31 March 2022	2,405,276	40,630	2,437,113	4,883,019

Included within the net book value of land and buildings above is £2,248,056 (2022 - £2,249,620) in respect of freehold land and buildings and £70,149 (2022 - £155,656) in respect of short leasehold land and buildings.

Restriction on title and pledged as security

Plant and machinery with a carrying amount of £565,303 (2022 - £1,018,067) has been pledged as security as finance lease liabilities.

13 Investment properties

Group

	2023 £
At 1 April 2022 and 31 March 2023	2,634,005

The investment properties were revalued on 9 August 2012 by Hull Gregson Hull, Chartered Surveyors, who are external to the company, on an open market basis and updated as appropriate annually by the directors.

14 Investments

Group

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the group holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held 2023	2022
Subsidiary undertakings				
Cladding Consultants UK Limited*	Same as company	Ordinary shares	100%	100%
Stone Firms Limited*	Same as company	Ordinary	100%	100%

* indicates direct investment of the company

Subsidiary undertakings

Cladding Consultants UK Limited

The principal activity of Cladding Consultants UK Limited is dormant

Stone Firms Limited

The principal activity of Stone Firms Limited is subject to bank charges, dormant

15 Stocks

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Raw materials and consumables	-	3,894	-	3,894
Work in progress	57,700	58,640	57,700	58,640
Finished goods and goods for resale	1,494,231	1,208,574	1,494,231	1,208,574
	1,551,931	1,271,108	1,551,931	1,271,108

16 Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	689,171	555,035	689,171	555,035
Amounts owed by group undertakings	-	-	500	500
Other debtors	102	102	-	-
Prepayments	147,743	57,348	147,743	57,348
Total current trade and other debtors	837,016	612,485	837,414	612,883

17 Cash and cash equivalents

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Cash on hand	401	318	401	318
Cash at bank	678,679	274,985	678,526	274,832
	679,080	275,303	678,927	275,150

18 Creditors

	Note	Group 2023 £	Group (As restated) 2022 £	Company 2023 £	Company (As restated) 2022 £
Due within one year					
Loans and borrowings	21	595,375	635,904	595,375	635,904
Trade creditors		383,864	173,171	383,864	173,171
Social security and other taxes		158,673	113,953	158,673	113,953
Other creditors		33,355	50,789	33,355	50,789
Accrued expenses		279,535	148,529	279,535	148,529
Corporation tax	10	141,294	193,019	141,294	193,019
		1,592,096	1,315,365	1,592,096	1,315,365
Due after one year					
Loans and borrowings	21	132,014	291,694	132,014	291,694

19 Deferred tax and other provisions

Group

	Deferred tax £	Total £
At 1 April 2022	990,825	990,825
Increase (decrease) in existing provisions	(2,386)	(2,386)
At 31 March 2023	988,439	988,439

Deferred tax

Group

Deferred tax assets and liabilities

2023	Asset £	Liability £
Accelerated tax depreciation	-	369,089
Revaluation of property	-	619,350
	-	988,439

2022	Asset £	Liability £
Accelerated tax depreciation	-	371,475
Revaluation of property	-	619,350
	-	990,825

20 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £36,657 (2022 - £72,220).
Contributions totalling £Nil (2022 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

21 Loans and borrowings

		Group		Company
	2023 £	2022 £	2023 £	2022 £
Current loans and borrowings				
Hire purchase contracts	155,765	217,341	155,765	217,341
Other borrowings	439,610	418,563	439,610	418,563
	595,375	635,904	595,375	635,904

		Group		Company
	2023 £	2022 £	2023 £	2022 £
Non-current loans and borrowings				
Hire purchase contracts	132,014	291,694	132,014	291,694

Group

Other borrowings

Hire purchase contracts are denominated in £ with a nominal interest rate of base rate plus 2%. The carrying amount at year end is £287,779 (2022 - £509,034).

Finance leases are secured upon the assets to which they relate.
Other borrowings also include £439,610 (2022 - £418,563) due to a related party as set out in note 23.

22 Obligations under leases and hire purchase contracts

Group

Finance leases

The total of future minimum lease payments is as follows:

	2023 £	2022 £
Not later than one year	155,765	217,341
Later than one year and not later than five years	132,014	291,694
	287,779	509,035

23 Contingent liabilities

Group

A subsidiary company has received a corporation tax assessment, including interest, totalling £282,890. Based on professional advice received, the directors believe this to be ringfenced in the subsidiary company which has no assets to settle this assessment.

24 Analysis of changes in net debt

Group

	At 1 April 2022 £	Financing cash flows £	At 31 March 2023 £
Cash and cash equivalents			
Cash	275,150	403,777	678,927
Borrowings			
Lease liabilities	(509,035)	221,256	(287,779)
	(233,885)	625,033	391,148

25 Related party transactions

Group

Key management personnel

The directors are considered to be the only key management and their remuneration is disclosed in Note 9.

Summary of transactions with entities with joint control or significant interest

A company that is owned by one of the shareholders of the company has provided a loan to the company on which interest is payable at 3% on balances over £1.2m. This balance is included in loans and borrowing due within one year.
Interest of £Nil (2022 - £Nil) was charged in the year and at the year end the amount owed by the company was £439,610 (2022 - £418,563).
During the prior year the company sold investment property for £1,112,000 to that company and in the current year a £21,047 retention has been clawed back by that company.

Summary of transactions with other related parties

During the year rent of £6,000 (2022 - £6,000) was paid to a shareholder.
Rent of £33,068 (2022 - £31,617) was paid to close relatives of a director.
Rent of £36,000 (2022 - £36,000) was paid to a trust under common control of a shareholder.

Company

Summary of transactions with subsidiaries

The comany has not disclosed transactions between two or more wholly owned members of the same group through use of the exemption given by FRS 102 section 33.1A

26 Parent and ultimate parent undertaking

The ultimate controlling party is the estate of the late M Stewkesbury.