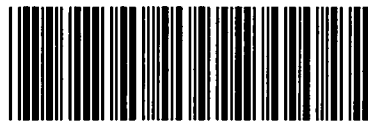


REGISTERED NUMBER: 03045350 (England and Wales)

David Salisbury Joinery Limited
Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 December 2022

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for the year ended 31 December 2022**

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David Salisbury Joinery Limited
Company Information
for the year ended 31 December 2022

DIRECTORS:

D Salisbury
W J Kangurs
K Bell Hutt
A W Clarke

SECRETARY:

C A Salisbury

REGISTERED OFFICE:

Bennett Road
Isleport Business Park
Highbridge
Somerset
TA9 4PW

REGISTERED NUMBER:

03045350 (England and Wales)

AUDITORS:

Webb & Co Ltd
Accountants and Business Advisers
& Statutory Auditor
One New Street
Wells
Somerset
BA5 2LA

David Salisbury Joinery Limited (Registered number: 03045350)

**Strategic Report
for the year ended 31 December 2022**

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

PRINCIPAL ACTIVITY

The principal activity of the group is the manufacture, sale and installation of bespoke orangeries, conservatories and garden rooms

2022 TRADING SUMMARY

The trading year for 2022 was very satisfactory with a an operating profit of £1.068m. The more open, post covid trading conditions throughout the year have allowed the business to capitalise on the increased sales intake of 2021 to increase turnover to £16.6m. Despite high inflationary pressure in materials, energy and labour, the investment into new machinery, product enhancements, productivity increases, and green energy initiatives has enabled the business to limit the financial impact. Order intake has stabilised at pre pandemic levels.

Other financial key performance indicators are as follows;

	2022	2021	2020	2019
Gross Profit (000's)	5,078	4,154	3,746	4,264
Gross Profit %	30	29	30	30
Net Assets (000's)	1,413	1,111	1,110	1,085

PRINCIPAL RISKS AND UNCERTAINTIES

Supply chain issues arising from the covid pandemic and Ukraine crises have been overcome and there are no significant increases in energy costs expected due to long term contracts signed.

OUTLOOK

It is confidently expected, based on the current order book that 2023 will be another good year. The business will be investing in more capital machinery over the coming year to enable backup capacity as well as enabling the business to expand into new joinery markets with the launch of new products in Spring 2023.

The Board would like to take this opportunity to thank all employees for their continued support and commitment through the year.

ON BEHALF OF THE BOARD:


.....
D Salisbury - Director

Date: 23-03-23

**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.

DIVIDENDS

The total distribution of dividends for the year ended 31 December 2022 will be £600,000.

DIRECTORS

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

D Salisbury
W J Kangurs
K Bell Hutt

Other changes in directors holding office are as follows:

A W Clarke - appointed 18 January 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

David Salisbury Joinery Limited (Registered number: 03045350)

**Report of the Directors
for the year ended 31 December 2022**

AUDITORS

The auditors, Webb & Co Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
D Salisbury - Director

Date: 23-03-2023.

Report of the Independent Auditors to the Members of David Salisbury Joinery Limited

Opinion

We have audited the financial statements of David Salisbury Joinery Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement 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.

**Report of the Independent Auditors to the Members of
David Salisbury Joinery 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 Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Members of
David Salisbury Joinery Limited**

Auditors' responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined in the Auditors' responsibilities for the audit of the financial statements section, 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.

Based on our understanding of the company and industry we identified that the principal risks of non-compliance and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of financial results and potential management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with the Directors and Financial Controller including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing the validity of journal entries
- Challenging assumptions made by management in its significant accounting estimates
- Reviewing disclosures for accounting estimates

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery of intentional misrepresentations, or through 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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
David Salisbury Joinery Limited**

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.



Barry Davidson FCA FCCA (Senior Statutory Auditor)
for and on behalf of Webb & Co Ltd
Accountants and Business Advisers
& Statutory Auditor
One New Street
Wells
Somerset
BA5 2LA

Date: 23 March 2023

David Salisbury Joinery Limited (Registered number: 03045350)

Statement of Comprehensive
Income
for the year ended 31 December 2022

	Notes	2022 £	2021 £
TURNOVER	2	16,665,106	14,215,045
Cost of sales		(11,586,718)	(10,060,335)
GROSS PROFIT		5,078,388	4,154,710
Distribution costs		(1,801,063)	(1,581,358)
Administrative expenses		(2,208,454)	(1,985,551)
		1,068,871	587,801
Other operating income		-	4,367
OPERATING PROFIT	4	1,068,871	592,168
Interest receivable and similar income		2,178	456
		1,071,049	592,624
Interest payable and similar expenses	6	(38,274)	(19,273)
PROFIT BEFORE TAXATION		1,032,775	573,351
Tax on profit	7	(144,177)	27,053
PROFIT FOR THE FINANCIAL YEAR		888,598	600,404
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		888,598	600,404

The notes form part of these financial statements

David Salisbury Joinery Limited (Registered number: 03045350)

Balance Sheet
31 December 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	9	36,093	29,720
Tangible assets	10	1,733,301	1,734,114
Investments	11	3	3
		<u>1,769,397</u>	<u>1,763,837</u>
CURRENT ASSETS			
Stocks	12	861,353	765,588
Debtors	13	1,890,625	2,599,447
Cash at bank and in hand		3,442,970	3,285,161
		<u>6,194,948</u>	<u>6,650,196</u>
CREDITORS			
Amounts falling due within one year	14	5,685,391	6,412,021
		<u>5,685,391</u>	<u>6,412,021</u>
NET CURRENT ASSETS		<u>509,557</u>	<u>238,175</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,278,954</u>	<u>2,002,012</u>
CREDITORS			
Amounts falling due after more than one year	15	(448,819)	(560,868)
PROVISIONS FOR LIABILITIES	18	(430,391)	(329,998)
NET ASSETS		<u>1,399,744</u>	<u>1,111,146</u>
CAPITAL AND RESERVES			
Called up share capital	19	140,525	140,525
Share premium		14,850	14,850
Capital redemption reserve		60,475	60,475
Retained earnings		1,183,894	895,296
SHAREHOLDERS' FUNDS		<u>1,399,744</u>	<u>1,111,146</u>

The financial statements were approved by the Board of Directors and authorised for issue on 23-03-2023 and were signed on its behalf by:


D Salisbury - Director

The notes form part of these financial statements

David Salisbury Joinery Limited (Registered number: 03045350)

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

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 January 2021	140,525	894,892	14,850	60,475	1,110,742
Changes in equity					
Dividends	-	(600,000)	-	-	(600,000)
Total comprehensive income	-	600,404	-	-	600,404
Balance at 31 December 2021	<u>140,525</u>	<u>895,296</u>	<u>14,850</u>	<u>60,475</u>	<u>1,111,146</u>
Changes in equity					
Dividends	-	(600,000)	-	-	(600,000)
Total comprehensive income	-	888,598	-	-	888,598
Balance at 31 December 2022	<u>140,525</u>	<u>1,183,894</u>	<u>14,850</u>	<u>60,475</u>	<u>1,399,744</u>

The notes form part of these financial statements

David Salisbury Joinery Limited (Registered number: 03045350)

**Cash Flow Statement
for the year ended 31 December 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	21	896,034	2,247,684
Interest element of hire purchase payments paid		(38,274)	(19,273)
Amounts owed on construction contracts		(164,072)	(89,714)
Tax refunded/(paid)		217,182	(58,355)
Net cash from operating activities		<u>910,870</u>	<u>2,080,342</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(15,325)	(29,720)
Purchase of tangible fixed assets		(296,703)	(694,588)
Sale of tangible fixed assets		4,387	23,571
Interest received		2,178	456
Net cash from investing activities		<u>(305,463)</u>	<u>(700,281)</u>
Cash flows from financing activities			
(Increase)/decrease in group loans		319,500	412,572
Capital repayments in year		(167,098)	-
Government grants		-	4,367
Equity dividends paid		(600,000)	(600,000)
Net cash from financing activities		<u>(447,598)</u>	<u>(183,061)</u>
Increase in cash and cash equivalents		<u>157,809</u>	<u>1,197,000</u>
Cash and cash equivalents at beginning of year	22	<u>3,285,161</u>	<u>2,088,161</u>
Cash and cash equivalents at end of year	22	<u><u>3,442,970</u></u>	<u><u>3,285,161</u></u>

The notes form part of these financial statements

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

1. ACCOUNTING POLICIES

General information and basis of preparing the financial statements

The company is a private company, limited by shares, registered in England and Wales. The address of the registered office is Bennett Road, Isleport Business Park, Highbridge, Somerset, TA9 4PW.

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

The financial statements have been prepared on the historical cost basis and are prepared in sterling, which is the functional currency of the entity, rounded to the nearest £.

The nature of the company's operations and principal activities are the design, manufacture and installation of bespoke wooden orangeries, conservatories and extensions.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future period where the revision affects both current and future periods.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of assets

The tangible fixed assets are periodically reviewed for impairment by the directors based on their knowledge and judgements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows;

Revenue recognition - construction contracts

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the statement of financial position date, measured primarily based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probable will be recovered. Contract costs are recognised as expenses in the period in which they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

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

Depreciation and amortisation

The directors use their knowledge of the business and the industry to estimate the useful life and residual value of tangible assets in order to arrive at applicable depreciation and amortisation rates. In accordance with section 17 of FRS 102, the directors review and update these estimates if there are indicators that current estimates should change.

It must be noted that there is inherent uncertainty within these estimates as factors such as unexpected wear and tear, technological advancement and changes in market prices may result in future changes to the appropriate rate of depreciation.

Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. Recognition occurs when there is an arrangement, primarily in the form of contract or purchase order, with the customer, a determining sales price is established with the customer, performance requirements are achieved and it is probable that economic benefits associated with the transaction will flow to the company. The policies adopted for the recognition of turnover are as follows:

Contract costs

In respect of long term contracts, turnover represents the value of work done in the period, including estimates of amounts not invoiced. Turnover in respect of long-term contracts and contracts for on-going services is recognised by reference to stage of completion.

Interest receivable

Interest income is recognised using the effective interest method.

Intangible assets

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

Website are being amortised evenly over their estimated useful life of three years.

Tangible fixed assets

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

Plant and machinery	- 33.3% on cost and 10% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on reducing balance

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. The cost formula used to value stock is first-in-first-out.

Provision is made for damaged, obsolete and slow-moving stock where appropriate.

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

1. **ACCOUNTING POLICIES - continued**

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 balance sheet date.

Deferred tax

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

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

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

Hire purchase and leasing commitments

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

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.

Construction contracts

Where the outcome of construction contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity as at the period end.

Where the outcome of construction contracts cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred.

The entity uses the percentage of completion method to determine the amounts to be recognised in the period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred for work performed to date do not include costs relating to future activity, such as for materials or prepayments.

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

1. ACCOUNTING POLICIES - continued

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

David Salisbury Joinery Limited (Registered number: 03045350)

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

2. TURNOVER

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

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Construction contracts	16,665,106	14,215,045
	<u>16,665,106</u>	<u>14,215,045</u>

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	16,665,106	14,155,022
Europe	-	60,023
	<u>16,665,106</u>	<u>14,215,045</u>

3. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	4,316,683	3,718,854
Social security costs	431,754	376,402
Other pension costs	137,012	125,806
	<u>4,885,449</u>	<u>4,221,062</u>

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

	2022	2021
Production	82	81
Administration and support	10	9
Sales, marketing and distribution	31	30
	<u>123</u>	<u>120</u>

	2022	2021
	£	£
Directors' remuneration	524,284	364,038
Directors' pension contributions to money purchase schemes	10,810	7,518
	<u>535,094</u>	<u>371,556</u>

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	188,871	167,682
Pension contributions to money purchase schemes	4,395	4,177
	<u>193,266</u>	<u>171,859</u>

David Salisbury Joinery Limited (Registered number: 03045350)

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

4. OPERATING PROFIT

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

	2022	2021
	£	£
Other operating leases	33,796	40,022
Depreciation - owned assets	297,238	209,536
Profit on disposal of fixed assets	(4,109)	(6,390)
Website amortisation	8,952	-
Foreign exchange differences	-	1,574
	<u> </u>	<u> </u>

5. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	19,322	20,577
	<u> </u>	<u> </u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Hire purchase interest	38,274	19,273
	<u> </u>	<u> </u>

7. TAXATION

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	41,573	(219,147)
Taxation adjust for earlier years	2,211	-
	<u> </u>	<u> </u>
Total current tax	43,784	(219,147)
Deferred tax	100,393	192,094
	<u> </u>	<u> </u>
Tax on profit	144,177	(27,053)
	<u> </u>	<u> </u>

David Salisbury Joinery Limited (Registered number: 03045350)

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

7. TAXATION - continued

Reconciliation of total tax charge/(credit) included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
Profit before tax	<u>1,032,775</u>	<u>573,351</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	196,227	108,937
Effects of:		
Expenses not deductible for tax purposes	2,026	1,397
Capital allowances in excess of depreciation	(23,182)	(256,218)
Deferred taxation adjustment	100,393	192,094
Effect of R&D tax claim	(131,287)	(75,201)
Group tax adjustment	-	1,938
Total tax charge/(credit)	<u>144,177</u>	<u>(27,053)</u>

8. DIVIDENDS

	2022	2021
	£	£
Ordinary shares of £1 each		
Interim	<u>600,000</u>	<u>600,000</u>

9. INTANGIBLE FIXED ASSETS

	Website
	£
COST	
At 1 January 2022	29,720
Additions	<u>15,325</u>
At 31 December 2022	<u>45,045</u>
AMORTISATION	
Amortisation for year	<u>8,952</u>
At 31 December 2022	<u>8,952</u>
NET BOOK VALUE	
At 31 December 2022	<u>36,093</u>
At 31 December 2021	<u>29,720</u>

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

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 January 2022	4,232,764	750,529	351,997	5,335,290
Additions	287,772	8,931	-	296,703
Disposals	(9,559)	-	-	(9,559)
At 31 December 2022	4,510,977	759,460	351,997	5,622,434
DEPRECIATION				
At 1 January 2022	2,830,955	615,591	154,630	3,601,176
Charge for year	209,233	38,953	49,052	297,238
Eliminated on disposal	(9,281)	-	-	(9,281)
At 31 December 2022	3,030,907	654,544	203,682	3,889,133
NET BOOK VALUE				
At 31 December 2022	1,480,070	104,916	148,315	1,733,301
At 31 December 2021	1,401,809	134,938	197,367	1,734,114

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements;

	Plant & Machinery	Motor Vehicles	Total
As at 31 December 2022	<u>984,653</u>	<u>35,423</u>	<u>1,020,076</u>
As at 31 December 2021	<u>1,114,752</u>	<u>46,907</u>	<u>1,161,659</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertakin £
COST	
At 1 January 2022 and 31 December 2022	3
NET BOOK VALUE	
At 31 December 2022	3
At 31 December 2021	3

David Salisbury Joinery Limited (Registered number: 03045350)

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

11. FIXED ASSET INVESTMENTS - continued

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Clifton Joinery Limited

Registered office: UK

Nature of business: Dormant company

Class of shares:	% holding
Ordinary	100.00

	2022	2021
	£	£
Aggregate capital and reserves	1	1
	<u>1</u>	<u>1</u>

County Oak Limited

Registered office: UK

Nature of business: Dormant company

Class of shares:	% holding
Ordinary	100.00

	2022	2021
	£	£
Aggregate capital and reserves	1	1
	<u>1</u>	<u>1</u>

Oakminster Limited

Registered office: UK

Nature of business: Dormant company

Class of shares:	% holding
Ordinary	100.00

	2022	2021
	£	£
Aggregate capital and reserves	1	1
	<u>1</u>	<u>1</u>

12. STOCKS

	2022	2021
	£	£
Raw materials and consumables	861,353	765,588
	<u>861,353</u>	<u>765,588</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	6,228	7,605
Amounts owed by group undertakings	548,727	868,227
Amounts due on construction contracts	536,294	372,222
Other debtors	2,208	3,986
Tax	-	219,147
Prepayments	797,168	1,128,260
	<u>1,890,625</u>	<u>2,599,447</u>

David Salisbury Joinery Limited (Registered number: 03045350)

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

14. CREDITORS LESS THAN ONE YEAR

	2022	2021
	£	£
Hire purchase contracts (see note 16)	111,959	167,008
Trade creditors	1,095,158	1,215,406
Taxation	41,573	-
Social security and other taxes	117,892	111,668
VAT	415,936	453,155
Other creditors	57,449	60,349
Pension contributions	23,546	22,168
Accruals and deferred income	522,679	340,817
Amounts owed on construction contracts	3,299,199	4,041,450
	<u>5,685,391</u>	<u>6,412,021</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Hire purchase contracts (see note 16)	<u>448,819</u>	<u>560,868</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	111,959	167,008
Between one and five years	448,819	560,868
	<u>560,778</u>	<u>727,876</u>

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	66,640	78,298
Between one and five years	35,176	101,816
	<u>101,816</u>	<u>180,114</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Hire purchase contracts	<u>560,778</u>	<u>727,876</u>

The liabilities are secured on the assets to which they relate.

David Salisbury Joinery Limited (Registered number: 03045350)

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

18. PROVISIONS FOR LIABILITIES

	2022 £	2021 £
Deferred tax	391,391	290,998
Other provisions	39,000	39,000
	<u>430,391</u>	<u>329,998</u>
	Deferred tax	Warranties
	£	£
Balance at 1 January 2022	290,998	39,000
Provided during year	100,393	-
Balance at 31 December 2022	<u>391,391</u>	<u>39,000</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022 £	2021 £
133,499	Ordinary	£1	133,499	133,499
7,026	Ordinary A	£1	7,026	7,026
			<u>140,525</u>	<u>140,525</u>

20. ULTIMATE CONTROLLING PARTY

The ultimate holding company during the year was David Salisbury Group Holdings Ltd (Company Number 11655346), a company registered and incorporated in England and Wales. Copies of financial statements of David Salisbury Group Holdings Ltd may be obtained from Bennett Road, Isleport Business Park, Highbridge, Somerset, TA9 4PW.

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

	2022 £	2021 £
Profit before taxation	1,032,775	573,351
Depreciation charges	306,189	209,536
Profit on disposal of fixed assets	(4,109)	(6,390)
Other interest received	(245)	-
Government grants	-	(4,367)
Finance costs	38,274	19,273
Finance income	(2,178)	(456)
	<u>1,370,706</u>	<u>790,947</u>
Increase in stocks	(95,765)	(309,618)
Decrease/(increase) in trade and other debtors	334,247	(11,514)
(Decrease)/increase in trade and other creditors	(713,154)	1,777,869
Cash generated from operations	<u>896,034</u>	<u>2,247,684</u>

David Salisbury Joinery Limited (Registered number: 03045350)

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

22. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2022

	31/12/22 £	1/1/22 £
Cash and cash equivalents	3,442,970	3,285,161

Year ended 31 December 2021

	31/12/21 £	1/1/21 £
Cash and cash equivalents	3,285,161	2,088,161

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank and in hand	3,285,161	157,809	3,442,970
	<u>3,285,161</u>	<u>157,809</u>	<u>3,442,970</u>
Debt			
Finance leases	(727,876)	167,098	(560,778)
	<u>(727,876)</u>	<u>167,098</u>	<u>(560,778)</u>
Total	<u>2,557,285</u>	<u>324,907</u>	<u>2,882,192</u>