

Company registration number: 05042667

HOMESERVE FURNITURE REPAIRS LTD

Financial statements

31 March 2022

HOMESERVE FURNITURE REPAIRS LTD

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HOMESERVE FURNITURE REPAIRS LTD

Directors and other information

Director	James Lane
Company number	05042667
Registered office	Unit 8 Waterfront Business Park Brierley Hill West Midlands DY5 1LX
Business address	Unit 8 Waterfront Business Park Brierley Hill West Midlands DY5 1LX
Auditor	T J Saxon 43 Hagley Road Stourbridge West Midlands DY8 1QR

HOMESERVE FURNITURE REPAIRS LTD

Strategic report

Year ended 31 March 2022

Principal activity

The principal activity of the company during the year continued to be that of the repair of furniture on behalf of furniture retailers, manufacturers, commercial sites and domestic customers. The company also acts as an administrator for the sale of furniture protection insurance policies through furniture retailers. The main core of the business activity operates in the UK although around 2% of activity is carried out in the Republic of Ireland.

Business review

The business witnessed an increase in turnover due to a full year's trading, following the previous year's lockdown due to the COVID 19 pandemic. Turnover amounted to £14,370,903 (2021: £10,261,823), Gross Profit amounted to £6,217,718 (2021: £3,982,120), commissions received amounted to £714,229 (2021: £509,312) and net profit before taxation amounted to £2,055,255 (2021: £1,612,249). Shareholder funds amounted to £3,193,366 at 31 March 2022 (2021: £2,477,438) .

Principal risks and uncertainties, key performance indicators and financial risk management

The company has identified the major risks and uncertainties to which it is subject at present. The year ended 31 March 2022 was a record breaking year for the company, achieving its highest turnover, gross profit and net profit to date. Following the lockdown year, it was still an uncertain time for the company, but trading remained strong, and the furniture industry as a whole saw strong sales throughout the year. The director forecasts a turnover for the year ending 31 March 2023 of £17,500,000 and a net profit before tax of around £1,800,000. Margins have been squeezed throughout the year with increases in fuel, wages and vehicle leasing costs and in general most suppliers have introduced price increases to cover rising inflation, which has all impacted on the company's profitability rising in line with the increased turnover. Credit risk is monitored closely by reference to contractual agreements with customers. Key elements of the company's strategy include the level of service and support staff, and the training of the staff, quality control of services provided and cost control. As a result of the constant monitoring of these indicators, the company has continued to achieve good progress in these areas during the accounting year, as is evidenced by the trading results. In addition, the company is required to comply with and adhere to recommendations imposed by its regulatory bodies. Financial risks are closely monitored by regular reviews of costs and employee numbers, which is critical in matching service requirement with service capacity.

Research and Development

The company has been able to invest further in the training of staff, and a major investment to further develop its technology, which it must do to remain competitive in the market place in which it operates.

Future developments

The director is confident about the continuing financial performance of the business, and continues to seek opportunities to develop the business further.

This report was approved by the board of directors on 22 December 2022 and signed on behalf of the board by:

James Lane

Director

HOMESERVE FURNITURE REPAIRS LTD

Director's report

Year ended 31 March 2022

The director presents his report and the financial statements of the company for the year ended 31 March 2022.

Director

The director who served the company during the year was as follows:

James Lane

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Disclosure of information in the strategic report.

A review of the business including the principal activities, future developments, and research and development are discussed in the Strategic Report.

Director's responsibilities statement

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

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

The director is 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 him 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 22 December 2022 and signed on behalf of the board by:

James Lane

Director

HOMESERVE FURNITURE REPAIRS LTD

Independent auditor's report to the member of

HOMESERVE FURNITURE REPAIRS LTD

Year ended 31 March 2022

Opinion

I have audited the financial statements of HOMESERVE FURNITURE REPAIRS LTD (the 'company') for the year ended 31 March 2022 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In my opinion, the financial statements: - give a true and fair view of the state of the company's affairs as at 31 March 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

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

Conclusions relating to going concern

In auditing the financial statements, I 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 I have performed, I 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.

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

Other Information

The other information comprises the information included in the annual report, other than the financial statements and my auditor's report thereon. The director is responsible for the other information. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am 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 I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, I have not identified material misstatements in the strategic report or the director's report. I have nothing to report in respect of the following matters where the Companies Act 2006 requires me to report to you if, in my opinion: - adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by me; or - the financial statements are not in agreement with the accounting records and the returns; or - certain disclosures of director's remuneration specified by law are not made; or - I have not received all the information and explanations I require for my audit.

Responsibilities of directors

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My 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 my 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.

Extent to which the audit was capable of detecting irregularities, including fraud.

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

I obtained an understanding of the legal and regulatory frameworks applicable to the Company based on my understanding of the Company and sector experience and discussions with management. I considered the most significant laws and regulations for the Company to be the applicable accounting framework, Companies Act 2006, corporate taxes and VAT legislation, employment taxes, health and safety and the Bribery Act 2010.

I communicated key estimates and judgements, relevant identified laws and regulations, and potential fraud and irregularity risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. I designed audit procedures to respond to these matters.

I designed and executed procedures in line with my responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- * made enquiries of management and those charged with governance to identify any irregularities or instances of non-compliance with laws and regulations;
- * tested the appropriateness of accounting journals on sample basis and other adjustments made in the preparation of financial statements.
- * review management journal entries to revenue to assess whether such entries are indicative of manipulation of the financial statements;
- * challenge of key estimates and judgements applied by management in the financial statements to check that they are free from management bias;
- * consideration of management's assessment of related parties and any other unusual transactions and evaluate the process for identifying and monitoring any such transactions; and
- * consideration of the total unadjusted audit differences for indications of bias or deliberate misstatement.

My audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the event and transactions reflected in the financial statements, the less likely I am to become aware of it.

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

Use of my report

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

Timothy Saxon

T J Saxon

Chartered Accountant and Statutory Auditor

43 Hagley Road

Stourbridge

West Midlands

DY8 1QR

22 December 2022

Company registration number: 05042667

HOMESERVE FURNITURE REPAIRS LTD

Statement of comprehensive income

Year ended 31 March 2022

		2022	2021
	Note	£	£
Turnover	4	14,370,903	10,261,823
Cost of sales		(8,153,185)	(6,279,703)
Gross profit		6,217,718	3,982,120
Administrative expenses		(4,913,933)	(3,877,495)
Other operating income	5	772,574	1,502,546
Operating profit	6	2,076,359	1,607,171
Other interest receivable and similar income	9	17,603	16,383
Interest payable and similar expenses	10	(38,707)	(11,305)
Profit before taxation		2,055,255	1,612,249
Tax on profit	11	(292,213)	(236,653)
Profit for the financial year and total comprehensive income		1,763,042	1,375,596

All the activities of the company are from continuing operations.

HOMESERVE FURNITURE REPAIRS LTD

Statement of financial position

31 March 2022

	Note	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	14	2,445,086		483,307	
		<u>2,445,086</u>		<u>483,307</u>	
			2,445,086		483,307
Current assets					
Stocks	15	200,160		201,635	
Debtors	16	5,489,009		6,891,215	
Cash at bank and in hand		1,323,984		987,648	
		<u>7,013,153</u>		<u>8,080,498</u>	
Creditors: amounts falling due within one year	17	(5,268,186)		(5,144,385)	
		<u>1,744,967</u>		<u>2,936,113</u>	
Net current assets			1,744,967		2,936,113
			<u>4,190,053</u>		<u>3,419,420</u>
Total assets less current liabilities			4,190,053		3,419,420
Creditors: amounts falling due after more than one year	18		(996,687)		(941,982)
			<u>3,193,366</u>		<u>2,477,438</u>
Net assets					
			<u>3,193,366</u>		<u>2,477,438</u>
Capital and reserves					
Called up share capital	20		50		50
Capital redemption reserve	21		50		50
Profit and loss account	21		3,193,266		2,477,338
			<u>3,193,366</u>		<u>2,477,438</u>
Shareholder funds					
			<u>3,193,366</u>		<u>2,477,438</u>

These financial statements were approved by the board of directors and authorised for issue on 22 December 2022, and are signed on behalf of the board by:

James Lane

Director

HOMESERVE FURNITURE REPAIRS LTD

Statement of changes in equity

Year ended 31 March 2022

	Called up share capital	Capital redemption reserve	Profit and loss account	Total
	£	£	£	£
At 1 April 2020	50	50	1,714,347	1,714,447
Profit for the year			1,375,596	1,375,596
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>1,375,596</u>	<u>1,375,596</u>
Dividends paid and payable			(612,605)	(612,605)
Total investments by and distributions to owners	<u>-</u>	<u>-</u>	<u>(612,605)</u>	<u>(612,605)</u>
At 31 March 2021 and 1 April 2021	50	50	2,477,338	2,477,438
Profit for the year			1,763,042	1,763,042
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>1,763,042</u>	<u>1,763,042</u>
Dividends paid and payable			(1,047,114)	(1,047,114)
Total investments by and distributions to owners	<u>-</u>	<u>-</u>	<u>(1,047,114)</u>	<u>(1,047,114)</u>
At 31 March 2022	<u>50</u>	<u>50</u>	<u>3,193,266</u>	<u>3,193,366</u>

HOMESERVE FURNITURE REPAIRS LTD

Statement of cash flows

Year ended 31 March 2022

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	1,763,042	1,375,596
<i>Adjustments for:</i>		
Depreciation of tangible assets	71,749	23,471
Other interest receivable and similar income	(17,603)	(16,383)
Interest payable and similar expenses	38,707	11,305
Tax on profit	292,213	236,653
Accrued expenses/(income)	308,197	32,063
<i>Changes in:</i>		
Stocks	1,475	(109,995)
Trade and other debtors	1,402,206	(3,114,360)
Trade and other creditors	(406,628)	(86,247)
Cash generated from operations	3,453,358	(1,647,897)
Interest paid	(38,707)	(11,305)
Interest received	17,603	16,383
Tax paid	(121,876)	(321,483)
Net cash from/(used in) operating activities	3,310,378	(1,964,302)
Cash flows from investing activities		
Purchase of tangible assets	(2,033,528)	(57,314)
Net cash used in investing activities	(2,033,528)	(57,314)
Cash flows from financing activities		
Proceeds from borrowings	110,957	1,463,890
Payment of finance lease liabilities	(4,357)	33,092
Equity dividends paid	(1,047,114)	(612,605)
Net cash (used in)/from financing activities	(940,514)	884,377
Net increase/(decrease) in cash and cash equivalents	336,336	(1,137,239)
Cash and cash equivalents at beginning of year	987,648	2,124,887
Cash and cash equivalents at end of year	1,323,984	987,648

HOMESERVE FURNITURE REPAIRS LTD

Notes to the financial statements

Year ended 31 March 2022

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is Homeserve Furniture Repairs Ltd, Unit 8, Waterfront Business Park, Brierley Hill, West Midlands, DY5 1LX.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The director has implemented various strategies to ensure the continued financial viability of the company and is confident that the company has sufficient financial resources to continue as a going concern for the foreseeable future. At the year end the company has net current assets of £1,744,967 (2021: £ 2,936,113) The director has prepared profit and cash flow forecasts which indicate that the company can operate for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the director considers it appropriate to prepare these financial statements on a going concern basis.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	2 % straight line
Leasehold property	-	over period of lease and 2% on buildings
Plant and machinery	-	25 % reducing balance
Fittings fixtures and equipment	-	50 % reducing balance
Motor vehicles	-	25 % reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

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 stocks to their present location and condition.

Hire purchase and finance leases

Assets held under finance leases 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.

Financial instruments

A financial asset or a financial liability is recognised only when the company 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. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

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.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Turnover

Overseas turnover amounted to 2% (2021: 2%) of the total turnover for the year

5. Other operating income

	2022	2021
	£	£
Commission receivable	714,229	509,312
CJRS and similar grants	58,345	993,234
	<u>772,574</u>	<u>1,502,546</u>

6. Operating profit

Depreciation of tangible assets 71,749 23,471

Impairment of trade debtors 6,541 20,376

Fees payable for the audit of the financial statements 4,540 4,780

 | |

7. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

	2022	2021
Production staff	101	91
Administrative staff	79	71
	<u>180</u>	<u>162</u>

The aggregate payroll costs incurred during the year were:

	2022	2021
	£	£
Wages and salaries	3,428,257	3,016,295
Wages and salaries-administration	2,340,306	2,040,278
Other pension costs	97,984	84,553
	<u>5,866,547</u>	<u>5,141,126</u>

8. Directors remuneration

The director's aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	11,500	11,500
	<hr/>	<hr/>

9. Other interest receivable and similar income

	2022	2021
	£	£
Loans and receivables	17,601	16,192
Bank deposits	2	191
	<hr/>	<hr/>
	17,603	16,383
	<hr/>	<hr/>

10. Interest payable and similar expenses

	2022	2021
	£	£
Bank loans and overdrafts	32,063	-
Other interest payable and similar expenses	6,644	11,305
	<hr/>	<hr/>
	38,707	11,305
	<hr/>	<hr/>

11. Tax on profit

Major components of tax expense

	2022	2021
	£	£
Current tax:		
UK current tax expense	292,213	236,653
Tax on profit	<u>292,213</u>	<u>236,653</u>

Reconciliation of tax expense

The tax assessed on the profit for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19.00 % (2021: 19.00%).

	2022	2021
	£	£
Profit before taxation	2,055,255	1,612,249
Profit multiplied by rate of tax	<u>390,498</u>	<u>306,327</u>
Effect of expenses not deductible for tax purposes	13,194	1,923
Effect of capital allowances and depreciation	(11,839)	(2,512)
Research and development	(99,640)	(69,086)
Tax on profit	<u>292,213</u>	<u>236,652</u>

12. Earnings per share

Basic earnings/(loss) per share

The earnings/(loss) and weighted average number of shares used in the calculation of basic earnings/(loss) per share are as follows:

	2022	2021
	£	£
Profit for the year attributable to the owners of the company	<u>1,763,042</u>	<u>1,375,596</u>

Diluted earnings/(loss) per share

The earnings/(loss) and weighted average number of shares used in the calculation of diluted earnings/(loss) per share are as follows:

	2022	2021
	£	£
Earnings/(loss) used in calculation of basic earnings/(loss) per share	<u>1,763,042</u>	<u>1,375,596</u>

13. Dividends

Equity dividends

	2022 £	2021 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	1,047,114	612,605

14. Tangible assets

	Freehold property £	Long leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2021	423,016	-	309,261	33,524	765,801
Additions	-	1,939,130	94,398	-	2,033,528
At 31 March 2022	423,016	1,939,130	403,659	33,524	2,799,329
Depreciation					
At 1 April 2021	12,692	-	269,103	699	282,494
Charge for the year	4,230	21,148	38,165	8,206	71,749
At 31 March 2022	16,922	21,148	307,268	8,905	354,243
Carrying amount					
At 31 March 2022	406,094	1,917,982	96,391	24,619	2,445,086
At 31 March 2021	410,324	-	40,158	32,825	483,307

15. Stocks

	2022 £	2021 £
Work in progress	90,200	72,675
Finished goods and goods for resale	109,960	128,960
	200,160	201,635

16. Debtors

	2022	2021
	£	£
Trade debtors	2,561,825	1,856,366
Prepayments and accrued income	316,244	138,464
Other debtors	2,610,940	4,896,385
	<u>5,489,009</u>	<u>6,891,215</u>

17. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	602,564	550,000
Trade creditors	2,869,194	1,947,278
Accruals and deferred income	352,064	43,867
Corporation tax	292,213	121,876
Social security and other taxes	747,581	2,140,970
Obligations under finance leases	4,331	5,000
Other creditors	400,239	335,394
	<u>5,268,186</u>	<u>5,144,385</u>

Barclays Bank PLC have registered on 7 October 2019, 20 October 2020 and 13 September 2021, fixed and floating charges over all property and undertakings of the company in respect of current and future debt with them. Obligations under finance leases are secured on the assets held on the related finance agreements

18. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Bank loans and overdrafts	972,283	913,890
Obligations under finance leases	24,404	28,092
	<u>996,687</u>	<u>941,982</u>

Barclays Bank PLC have registered on 7 October 2019, 20 October 2020 and 13 September 2021, fixed and floating charges over all property and undertakings of the company in respect of current and future debt with them. Obligations under finance leases are secured on the assets held on the related finance agreements

19. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £ 97,984 (2021: £ 84,553).

20. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	50	50	50	50
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

21. Reserves

Capital Redemption Reserve amounts to £50 (2021: £50) and Profit and Loss account reserves at 31 March 2022 amount to £3193266 (2021: £2477338)

22. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash and cash equivalents	987,648	336,336	1,323,984
Debt due within one year	(555,000)	(51,895)	(606,895)
Debt due after one year	(941,982)	(54,705)	(996,687)
	<u> </u>	<u> </u>	<u> </u>
	(509,334)	229,736	(279,598)
	<u> </u>	<u> </u>	<u> </u>

23. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	£	£
Not later than 1 year	483,459	160,042
Later than 1 year and not later than 5 years	377,005	295,263
Later than 5 years	163,614	207,858
	<u>1,024,078</u>	<u>663,163</u>

24. Directors advances, credits and guarantees

During the year the director entered into the following advances and credits with the company:

2022

	Balance brought forward £	Advances /(credits) to the director £	Amounts repaid £	Balance o/standing £
James Lane	1,939,000	-	(700,000)	1,239,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

2021

	Balance brought forward £	Advances /(credits) to the director £	Amounts repaid £	Balance o/standing £
James Lane	-	1,939,000	-	1,939,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

25. Related party transactions

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2022	2021	2022	2021
	£	£	£	£
James Lane	-	1,939,000	1,239,000	1,939,000
Lane Property & Assets Ltd	-	1,565,480	985,327	1,565,480

James Lane is both director and 100% shareholder in the company. The loan outstanding to the company at 31 March 2022 is unsecured, interest free and repayable on demand.

The loan outstanding from Lane Property & Assets Ltd, is a company in which Mr Lane is a director and 100% shareholder. The loan is unsecured, interest free and repayable on demand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.