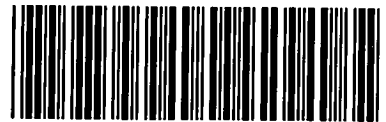


**Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 30 November 2022**  
**for**  
**Benbow Steels Limited**

WEDNESDAY



\*ACAJ4NYW\*

A01

23/08/2023

#68

COMPANIES HOUSE

**Contents of the Financial Statements  
for the Year Ended 30 November 2022**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>5</b>
<b>Report of the Independent Auditors</b>	<b>6</b>
<b>Income Statement</b>	<b>10</b>
<b>Other Comprehensive Income</b>	<b>11</b>
<b>Balance Sheet</b>	<b>12</b>
<b>Statement of Changes in Equity</b>	<b>13</b>
<b>Cash Flow Statement</b>	<b>14</b>
<b>Notes to the Cash Flow Statement</b>	<b>15</b>
<b>Notes to the Financial Statements</b>	<b>16</b>

**Benbow Steels Limited**

**Company Information  
for the Year Ended 30 November 2022**

**DIRECTORS:**

S Benbow  
Mrs S J Benbow  
J T M Khan

**SECRETARY:**

N R Smith

**REGISTERED OFFICE:**

Units 5-6 Ashmore Industrial Park  
Great Bridge Street,  
West Bromwich  
West Midlands  
B70 0BW

**REGISTERED NUMBER:**

06007894

**AUDITORS:**

Haines Watts Wolverhampton Limited  
Statutory Auditors  
Keepers Lane  
The Wergs  
Wolverhampton  
West Midlands  
WV6 8UA

**Strategic Report  
for the Year Ended 30 November 2022**

The directors present the Strategic Report for Benbow Steels Limited ('the company') for the year ending 30 November 2022.

**REVIEW OF BUSINESS**

The company is a processor and distributor of pre-coated sheet steels. The business operates in the UK and Irish markets from a single site in West Bromwich. The main sectors it operates in are construction, heating and ventilation, modular buildings and coldstores.

The business strategy is of incremental, profitable growth based upon exceptional levels of customer service. Significant investment in 2020 and 2021 in a new IT platform and additional processing equipment, has provided the basis to support growth in 2022 and beyond.

The business made an operating profit of £1,752,279 for the year in comparison with £991,337 in the previous year. The business investment from 2020 provided the business with capacity to continue its growth in volumes, and steel margins remained at the high levels of 2021.

Cost pressures on the business did not ease in 2022. Wages, transport and pallets all increased significantly on the previous year. Covid supply chain disruption and Brexit-related labour shortages were the key drivers of this cost growth.

Energy is a relatively low-cost input for the business so the global rises in energy costs in 2022 have had little impact on the company.

On 30 November 2022, the entire issued share capital of Benbow Steels Limited was acquired by Benbow Steels Group Limited.

**Strategic Report  
for the Year Ended 30 November 2022**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The greatest threat to business performance is from a reduction in demand levels as a result of UK economic contraction. However, even in this scenario the business has a low cost base and would continue to be profitable under all realistic scenarios.

The company has a diluted customer base with no individual customer representing more than 10% of its turnover and the company has a credit insurance policy in place.

The company does not single source any of its key products and services to mitigate risk in this area. Succession and training plans are in place to minimise the potential loss of key staff.

The company's main processing lines provide capability cover for each other. Preventative maintenance programmes are in place throughout the business.

Business and IT continuity plans are robust and regularly tested.

**Company Employees**

The company views its employees as its greatest asset, which is reflected in its Culture Statement.

The company strives to deliver a safe working environment for all its employees. Particular focus in 2022 has been in developing the health and well-being of our team. A private health scheme has been introduced for all employees.

Regular one-to-ones take place with our designated Mental Health Lead.

All employees meet with their manager on a quarterly basis to discuss any training and development requirements.

**Customers**

The business treats all its customers with respect; aiming to supply every order in line with the high quality service our customers have come to expect.

**Suppliers**

The company has long-established relationships with its key suppliers who are essential to our service offering. We ensure that there is strategic alignment between ourselves and our suppliers, and acknowledge our responsibilities to them to pay a fair price and settle accounts in a timely manner.

**Corporate and Social Responsibility**

The company developed and published its first environmental strategy during the year. As part of this strategy, the company was the first pre-coated steel stockholder in the UK to offer its customers Green Steel Certificates to enable them to reduce their Scope 3 emissions.

As part of our engagement with the wider community the company has installed a defibrillator, collected for local foodbanks and toy appeals and continued to make donations to local charities.

**KEY PERFORMANCE INDICATORS**

There were no lost time injuries in the business in 2022.

**Benbow Steels Limited (Registered number: 06007894)**

**Strategic Report  
for the Year Ended 30 November 2022**

**GOING CONCERN**

The directors have reviewed market conditions, ongoing business performance and current funding arrangements. They confirm that the business has adequate resources to continue trading for the 12 months from the date of signing these financial accounts.

**ON BEHALF OF THE BOARD:**

  
.....  
S Benbow - Director

Date: 16/8/23

**Report of the Directors  
for the Year Ended 30 November 2022**

The directors present their report with the financial statements of the company for the year ended 30 November 2022.

**DIVIDENDS**

No interim dividend was paid during the year. The directors recommend a final dividend of 7,050 per share.

The total distribution of dividends for the year ended 30 November 2022 will be £352,500.

**DIRECTORS**

S Benbow has held office during the whole of the period from 1 December 2021 to the date of this report.

Other changes in directors holding office are as follows:

Mrs S J Benbow - appointed 25 January 2022

J T M Khan - appointed 30 November 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.

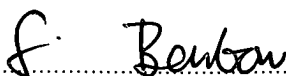
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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.

**AUDITORS**

The auditors, Haines Watts Wolverhampton Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

  
S Benbow - Director

Date: 16/8/23

## **Report of the Independent Auditors to the Members of Benbow Steels Limited**

### **Opinion**

We have audited the financial statements of Benbow Steels Limited (the 'company') for the year ended 30 November 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 30 November 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 Benbow Steels 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 five, 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 Benbow Steels 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 above, to detect material misstatements in respect of irregularities, including fraud.

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- Identifying and obtaining an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates, and made enquiry of the Company's management to understand the Company's compliance with that framework;
- Obtaining an understanding of the internal controls established to mitigate risks relating to fraud or other error which could affect the financial reporting process;
- Making enquiries of management to determine whether they have knowledge of any actual or suspected fraud;
- Reviewing assumptions and judgements made by the management in its significant accounting estimates;
- In addition to transaction-based testing, on a sample basis, of sales, purchases and payroll costs, we have undertaken a review of accounting journals and non-routine payments and receipts;

We did not identify any key audit matters relating to irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect irregularities, including those leading to material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Other Matters**

In line with ISA (UK) 710 we bring to the users' attention that the comparative information in these financial statements is unaudited. This is on the basis that the company had previously taken advantage of small company exemptions as permitted by the Companies Act 2006. We have been able to satisfy ourselves via other means that the comparative information and subsequently the opening position of the current year on which we are reporting is materially accurately stated to an extent that our audit opinion remains unqualified.

**Report of the Independent Auditors to the Members of  
Benbow Steels 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.

*G. T. Hopwood*

Geoffrey Hopwood BCOM ACA (Senior Statutory Auditor)  
for and on behalf of Haines Watts Wolverhampton Limited  
Statutory Auditors  
Keepers Lane  
The Wergs  
Wolverhampton  
West Midlands  
WV6 8UA

Date: ..... *16.8.2023* .....

**Benbow Steels Limited (Registered number: 06007894)**

**Income Statement  
for the Year Ended 30 November 2022**

	Notes	2022 £	2021 £
<b>TURNOVER</b>		<b>25,002,846</b>	<b>17,277,445</b>
Cost of sales		<b>21,299,789</b>	<b>14,866,915</b>
<b>GROSS PROFIT</b>		<b>3,703,057</b>	<b>2,410,530</b>
Administrative expenses		<b>1,979,519</b>	<b>1,416,492</b>
		<b>1,723,538</b>	<b>994,038</b>
Other operating income		<b>28,741</b>	<b>(2,701)</b>
<b>OPERATING PROFIT and PROFIT BEFORE TAXATION</b>		<b>1,752,279</b>	<b>991,337</b>
Tax on profit	5	<b>314,894</b>	<b>181,533</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,437,385</b>	<b>809,804</b>

The notes form part of these financial statements

**Benbow Steels Limited (Registered number: 06007894)**

**Other Comprehensive Income  
for the Year Ended 30 November 2022**

	Notes	2022 £	2021 £
<b>PROFIT FOR THE YEAR</b>		<b>1,437,385</b>	<b>809,804</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>1,437,385</b>	<b>809,804</b>

The notes form part of these financial statements

**Benbow Steels Limited (Registered number: 06007894)**

**Balance Sheet**  
**30 November 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	7	160,554	217,692
<b>CURRENT ASSETS</b>			
Stocks	8	3,144,475	1,697,870
Debtors	9	11,026,089	4,448,859
Cash at bank		151,493	42,989
		<u>14,322,057</u>	<u>6,189,718</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	10,534,397	4,569,081
<b>NET CURRENT ASSETS</b>		<u>3,787,660</u>	<u>1,620,637</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,948,214</u>	<u>1,838,329</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	11	1,383,333	358,333
<b>NET ASSETS</b>		<u><u>2,564,881</u></u>	<u><u>1,479,996</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	15	50	50
Retained earnings	16	2,564,831	1,479,946
<b>SHAREHOLDERS' FUNDS</b>		<u><u>2,564,881</u></u>	<u><u>1,479,996</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 16 AUG 2023 and were signed on its behalf by:

  
S Benbow - Director

**Statement of Changes in Equity  
for the Year Ended 30 November 2022**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 December 2020</b>	50	1,099,392	1,099,442
<b>Changes in equity</b>			
Dividends	-	(429,250)	(429,250)
Total comprehensive income	-	809,804	809,804
<b>Balance at 30 November 2021</b>	50	1,479,946	1,479,996
<b>Changes in equity</b>			
Dividends	-	(352,500)	(352,500)
Total comprehensive income	-	1,437,385	1,437,385
<b>Balance at 30 November 2022</b>	50	2,564,831	2,564,881

**Benbow Steels Limited (Registered number: 06007894)**

**Cash Flow Statement  
for the Year Ended 30 November 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	4,342,537	576,127
Tax paid		(181,533)	(34,828)
Net cash from operating activities		4,161,004	541,299
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(99,990)
Net cash from investing activities		-	(99,990)
<b>Cash flows from financing activities</b>			
New loans in year		1,500,000	-
Loan repayments in year		(100,000)	-
Capital repayments in year		-	(41,667)
Amounts due from group undertakings		(5,600,000)	-
Amounts due to group undertakings		500,000	-
Equity dividends paid		(352,500)	(429,250)
Net cash from financing activities		(4,052,500)	(470,917)
<b>Increase/(decrease) in cash and cash equivalents</b>		108,504	(29,608)
<b>Cash and cash equivalents at beginning of year</b>	2	42,989	72,597
<b>Cash and cash equivalents at end of year</b>	2	151,493	42,989

The notes form part of these financial statements



**Notes to the Cash Flow Statement  
for the Year Ended 30 November 2022**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2022 £	2021 £
Profit before taxation	1,752,279	991,337
Depreciation charges	57,138	57,138
	<u>1,809,417</u>	<u>1,048,475</u>
Increase in stocks	(1,446,605)	(370,438)
Increase in trade and other debtors	(977,230)	(1,310,128)
Increase in trade and other creditors	4,956,955	1,208,218
	<u>4,342,537</u>	<u>576,127</u>
<b>Cash generated from operations</b>	<u><u>4,342,537</u></u>	<u><u>576,127</u></u>

**2. 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 30 November 2022**

	30.11.22 £	1.12.21 £
Cash and cash equivalents	<u>151,493</u>	<u>42,989</u>

**Year ended 30 November 2021**

	30.11.21 £	1.12.20 £
Cash and cash equivalents	<u>42,989</u>	<u>72,597</u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1.12.21 £	Cash flow £	At 30.11.22 £
<b>Net cash</b>			
Cash at bank	<u>42,989</u>	<u>108,504</u>	<u>151,493</u>
	<u>42,989</u>	<u>108,504</u>	<u>151,493</u>
<b>Debt</b>			
Debts falling due within 1 year	(100,000)	(375,000)	(475,000)
Debts falling due after 1 year	(358,333)	(1,025,000)	(1,383,333)
	<u>(458,333)</u>	<u>(1,400,000)</u>	<u>(1,858,333)</u>
<b>Total</b>	<u><u>(415,344)</u></u>	<u><u>(1,291,496)</u></u>	<u><u>(1,706,840)</u></u>

**Notes to the Financial Statements  
for the Year Ended 30 November 2022**

**1. STATUTORY INFORMATION**

Benbow Steels Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

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

Capitalised developments	- 20% Straight line
Improvements to property	- 20% Straight line
Plant and machinery	- 10-20% straight line

**Stocks**

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

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

**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.

**Notes to the Financial Statements - continued  
for the Year Ended 30 November 2022**

**3. EMPLOYEES AND DIRECTORS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>704,497</b>	742,234
Social security costs	<b>90,666</b>	66,756
Other pension costs	<b>60,884</b>	72,576
	<b><u>856,047</u></b>	<b><u>881,566</u></b>

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

	<b>2022</b>	<b>2021</b>
Average Number of Employees	<b><u>17</u></b>	<b><u>15</u></b>

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Directors' remuneration	<b><u>156,546</u></b>	<b><u>38,246</u></b>

**4. OPERATING PROFIT**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Depreciation - owned assets	<b>57,138</b>	57,138
Foreign exchange differences	<b><u>(28,741)</u></b>	<b><u>2,701</u></b>

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Current tax:		
UK corporation tax	<b><u>314,894</u></b>	181,533
Tax on profit	<b><u>314,894</u></b>	<b><u>181,533</u></b>

**Notes to the Financial Statements - continued**  
**for the Year Ended 30 November 2022**

**5. TAXATION - continued**

**Reconciliation of total tax charge 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>1,752,279</u>	<u>991,337</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>332,933</b>	188,354
Effects of:		
Expenses not deductible for tax purposes	531	796
Depreciation in excess of capital allowances	11,217	-
General Bad Debt Provision	-	10,692
Research & Development	<u>(29,787)</u>	<u>(18,309)</u>
Total tax charge	<u><b>314,894</b></u>	<u>181,533</u>

**6. DIVIDENDS**

	2022 £	2021 £
Ordinary A shares of £1 each		
Final	<u><b>352,500</b></u>	<u>429,250</u>

**7. TANGIBLE FIXED ASSETS**

	Capitalised developments £	Improvements to property £	Plant and machinery £	Totals £
<b>COST</b>				
At 1 December 2021 and 30 November 2022	<u>70,407</u>	<u>99,990</u>	<u>313,678</u>	<u>484,075</u>
<b>DEPRECIATION</b>				
At 1 December 2021	18,242	19,998	228,143	266,383
Charge for year	<u>14,082</u>	<u>19,998</u>	<u>23,058</u>	<u>57,138</u>
At 30 November 2022	<u><b>32,324</b></u>	<u><b>39,996</b></u>	<u><b>251,201</b></u>	<u><b>323,521</b></u>
<b>NET BOOK VALUE</b>				
At 30 November 2022	<u><b>38,083</b></u>	<u><b>59,994</b></u>	<u><b>62,477</b></u>	<u><b>160,554</b></u>
At 30 November 2021	<u>52,165</u>	<u>79,992</u>	<u>85,535</u>	<u>217,692</u>

**8. STOCKS**

	2022 £	2021 £
Stocks	<u><b>3,144,475</b></u>	<u>1,697,870</u>

Stock recognised in cost of sales during the year as an expense was £18,598,036 (2021: £13,497,809).

**Notes to the Financial Statements - continued  
for the Year Ended 30 November 2022**

**9. DEBTORS**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Amounts falling due within one year:		
Trade debtors	<b>5,355,420</b>	4,381,211
Prepayments	<b>70,669</b>	67,648
	<u><b>5,426,089</b></u>	<u>4,448,859</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u><b>5,600,000</b></u>	<u>-</u>
Aggregate amounts	<u><b>11,026,089</b></u>	<u>4,448,859</u>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Bank loans (see note 12)	<b>100,000</b>	100,000
Other loans (see note 12)	<b>375,000</b>	-
Trade creditors	<b>4,236,679</b>	3,111,432
Amounts owed to group undertakings	<b>500,000</b>	-
Tax	<b>314,894</b>	181,533
Social security and other taxes	<b>172,251</b>	173,527
Other creditors	<b>4,460,167</b>	766,011
Accruals and deferred income	<b>375,406</b>	236,578
	<u><b>10,534,397</b></u>	<u>4,569,081</u>

**11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Bank loans (see note 12)	<b>258,333</b>	358,333
Other loans (see note 12)	<b>1,125,000</b>	-
	<u><b>1,383,333</b></u>	<u>358,333</u>

**12. LOANS**

An analysis of the maturity of loans is given below:

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
Amounts falling due within one year or on demand:		
Bank loans	<b>100,000</b>	100,000
Other loans	<b>375,000</b>	-
	<u><b>475,000</b></u>	<u>100,000</u>

**Notes to the Financial Statements - continued  
for the Year Ended 30 November 2022**

**12. LOANS - continued**

	<b>2022</b>	2021
	<b>£</b>	£
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<b>100,000</b>	100,000
Other loans - 1-2 years	<b>375,000</b>	-
	<u><b>475,000</b></u>	<u>100,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<b>158,333</b>	258,333
Other loans - 2-5 years	<b>750,000</b>	-
	<u><b>908,333</b></u>	<u>258,333</u>

On 1 December 2022 the company repaid the full amount shown in 'Bank loans' totalling £358,333.

**13. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Within one year	<b>60,000</b>	60,000
Between one and five years	<b>300,000</b>	300,000
In more than five years	<b>120,000</b>	180,000
	<u><b>480,000</b></u>	<u>540,000</u>

**14. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2022</b>	2021
	<b>£</b>	£
Bank loans	<b>358,333</b>	458,333
Other loans	<b>1,500,000</b>	-
	<u><b>1,858,333</b></u>	<u>458,333</u>

**15. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	<b>2022</b>	2021
			<b>£</b>	£
50	Ordinary A	£1	<u><b>50</b></u>	<u>50</u>

**Notes to the Financial Statements - continued  
for the Year Ended 30 November 2022**

**16. RESERVES**

	<b>Retained earnings £</b>
At 1 December 2021	<b>1,479,946</b>
Profit for the year	<b>1,437,385</b>
Dividends	<b>(352,500)</b>
	<hr/>
At 30 November 2022	<b>2,564,831</b>
	<hr/> <hr/>

**17. ULTIMATE CONTROLLING PARTY**

As of 30th November 2022, the Ultimate Controlling Party was Benbow Steels Group Limited.