

Report of the Directors and
Unaudited Financial Statements
for the Year Ended 31 March 2023
for
TBI Manufacturing Limited

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for the Year Ended 31 March 2023

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TBI Manufacturing Limited
Company Information
for the Year Ended 31 March 2023

DIRECTORS:

R V H Watson
Mrs A Watson
N Maydon
R Pisute

REGISTERED OFFICE:

Finchley Avenue
Mildenhall
Suffolk
IP28 7BG

REGISTERED NUMBER:

02261086 (England and Wales)

ACCOUNTANTS:

Knights Lowe
Chartered Accountants
Eldo House, Kempson Way
Suffolk Business Park
Bury St Edmunds
Suffolk
IP32 7AR

Report of the Directors
for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of manufacturing and selling of engineering products.

DIRECTORS

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

R V H Watson
Mrs A Watson
N Maydon
R Pisute

Other changes in directors holding office are as follows:

Mrs S J Chapman - resigned 12 April 2022

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

R V H Watson - Director

7 July 2023

TBI Manufacturing Limited (Registered number: 02261086)

Balance Sheet
31 March 2023

	Notes	2023	2022
		£	£
FIXED ASSETS			
Intangible assets	4	-	-
Tangible assets	5	<u>1,301,277</u>	<u>1,261,916</u>
		1,301,277	1,261,916
CURRENT ASSETS			
Stocks		922,460	1,107,985
Debtors	6	2,200,936	2,196,586
Cash at bank and in hand		<u>24,424</u>	<u>34,195</u>
		3,147,820	3,338,766
CREDITORS			
Amounts falling due within one year	7	<u>3,066,937</u>	<u>3,540,464</u>
NET CURRENT ASSETS/(LIABILITIES)		80,883	(201,698)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,382,160	1,060,218
CREDITORS			
Amounts falling due after more than one year	8	(214,314)	(236,110)
PROVISIONS FOR LIABILITIES	11	(177,773)	(114,954)
NET ASSETS		990,073	709,154
CAPITAL AND RESERVES			
Called up share capital	12	3,000	3,000
Retained earnings		<u>987,073</u>	<u>706,154</u>
SHAREHOLDERS' FUNDS		990,073	709,154

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

TBI Manufacturing Limited (Registered number: 02261086)

Balance Sheet - continued

31 March 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 7 July 2023 and were signed on its behalf by:

R V H Watson - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

TBI Manufacturing 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation

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" including the provisions of Section 1A "Small Entities" 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.

Goodwill

The Goodwill paid in connection with the acquisition of the business in 2008 was amortised over its estimated useful life.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Leasehold property	- in accordance with the property lease
Plant & equipment	- 10% on cost
Fixtures & fittings	- 20% on cost
Motor vehicles	- 20% on cost

Improvements to long-leasehold property are depreciated at 15% on cost

Freehold land is not depreciated.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating to either revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset.

Stock

Stock and work in progress are valued at the lower of cost together with a proportion of overheads and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, and loans from banks or other related parties.

Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payment discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

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.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

2. **ACCOUNTING POLICIES - continued**

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

Impairment

At each reporting date, goodwill and other fixed assets, including tangible fixed assets and investments but excluding investment properties, are assessed to determine whether there is an indication that the carrying amount of an asset may be more than its recoverable amount and that the asset should be impaired. If there is an indication of possible impairment, the recoverable amount of an asset, which is the higher of its value in use and its net realisable value, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is written down to its estimated recoverable amount and an impairment loss is recognised in profit and loss.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 70 (2022 - 65) .

4. **INTANGIBLE FIXED ASSETS**

	Goodwill
	£
COST	
At 1 April 2022	
and 31 March 2023	<u>50,055</u>
AMORTISATION	
At 1 April 2022	
and 31 March 2023	<u>50,055</u>
NET BOOK VALUE	
At 31 March 2023	<u> -</u>
At 31 March 2022	<u> -</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. **TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2022	676,813	1,925,304	2,602,117
Additions	-	196,511	196,511
At 31 March 2023	<u>676,813</u>	<u>2,121,815</u>	<u>2,798,628</u>
DEPRECIATION			
At 1 April 2022	67,196	1,273,005	1,340,201
Charge for year	16,817	140,333	157,150
At 31 March 2023	<u>84,013</u>	<u>1,413,338</u>	<u>1,497,351</u>
NET BOOK VALUE			
At 31 March 2023	<u>592,800</u>	<u>708,477</u>	<u>1,301,277</u>
At 31 March 2022	<u>609,617</u>	<u>652,299</u>	<u>1,261,916</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 April 2022	484,554
Additions	120,474
Transfer to ownership	(56,108)
At 31 March 2023	<u>548,920</u>
DEPRECIATION	
At 1 April 2022	120,126
Charge for year	52,678
Transfer to ownership	(47,692)
At 31 March 2023	<u>125,112</u>
NET BOOK VALUE	
At 31 March 2023	<u>423,808</u>
At 31 March 2022	<u>364,428</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	2,131,254	2,095,586
Other debtors	<u>69,682</u>	<u>101,000</u>
	<u>2,200,936</u>	<u>2,196,586</u>

Other debtors includes prepayments of £69,517 (2022 : £68,316)

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts	1,116,768	1,649,661
Hire purchase contracts (see note 9)	89,904	90,400
Trade creditors	1,474,415	1,542,593
Taxation and social security	261,543	154,483
Other creditors	<u>124,307</u>	<u>103,327</u>
	<u>3,066,937</u>	<u>3,540,464</u>

Other creditors includes accruals of £87,627 (2022 : £45,632)

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

	2023	2022
	£	£
Bank loans	82,583	122,777
Hire purchase contracts (see note 9)	<u>131,731</u>	<u>113,333</u>
	<u>214,314</u>	<u>236,110</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans due over five years by instalments	<u>-</u>	<u>12,499</u>

9. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	89,904	90,400
Between one and five years	<u>131,731</u>	<u>113,333</u>
	<u>221,635</u>	<u>203,733</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. **LEASING AGREEMENTS - continued**

	Non-cancellable	operating leases
	2023	2022
	£	£
Within one year	136,912	129,054
Between one and five years	268,945	367,662
In more than five years	361,002	370,501
	<u>766,859</u>	<u>867,217</u>

The majority of the above commitment relates to the remaining payments of £408,502 (2022: £418,001) due on a sixty year property lease taken out in 2005 and a new property lease commitment taken out in 2021 for five years with remaining payment of £273,650 (2022: £357,850).

10. **SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank overdrafts	1,076,568	1,554,110
Bank loans	122,783	218,328
Hire purchase contracts	221,635	203,733
	<u>1,420,986</u>	<u>1,976,171</u>

The bank loans and overdrafts are secured by a fixed and floating charge over the assets of the company, including all debtors and property.

The hire purchase contracts are secured over the assets under the agreement.

The above includes a Coronavirus Business Interruption Loan backed by the UK government.

11. **PROVISIONS FOR LIABILITIES**

	2023	2022
	£	£
Deferred tax		
Accelerated capital allowances	177,773	133,226
Unrelieved tax losses adjustment	-	(18,272)
	<u>177,773</u>	<u>114,954</u>
		Deferred tax
		£
Balance at 1 April 2022		114,954
Provided during year		62,819
Balance at 31 March 2023		<u>177,773</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
1,500	A Ordinary	£1	1,500	1,500
1,500	B Ordinary	£1	1,500	1,500
			<u>3,000</u>	<u>3,000</u>

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