

Company registration number 04097667 (England and Wales)

EXPRESS TOUGHENING LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

EXPRESS TOUGHENING LIMITED

COMPANY INFORMATION

Directors	G S Curtis P S Curtis D R Curtis A W Curtis G A Howard
Secretary	P S Curtis
Company number	04097667
Registered office	51-55 Fowler Road Hainault Industrial Estate Hainault Essex IG6 3XE
Auditor	F M C B 3rd Floor Hathaway House Popes Drive Finchley London N3 1QF
Business address	51-55 Fowler Road Hainault Industrial Estate Hainault Essex IG6 3XE
Bankers	Barclays Bank plc 180 High Road Ilford Essex IG1 1LS

EXPRESS TOUGHENING LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Statement of cash flows	10
Notes to the financial statements	11 - 20

EXPRESS TOUGHENING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022 and the financial statements.

Review of the business

The principal activity of the company continued to be that of processing cut size glass.

Turnover in the year was £14,016,724 (2021: £13,123,651) and gross profit was £5,548,437 (2021: £3,326,536). No real change in our sales mix from 2021 to 2022.

On the 31st of December 2022, the directors consider the company's finances to be sound as we continue to have a strong cash flow, with a £1,743,212 cash balance (2021: £931,922). This past year has seen a reduction in profits compared to 2021, due to a significant increase in glass costs and in every other cost.

This year, 2023 has seen a double whammy of skyrocketing energy prices, further substantial increases in glass costs and hyper inflationary jumps in everything we use. The sealed unit market has also had a substantial dip leading to a fall off in sales. A significant loss of team members due to high London living costs has further impeded us so far this year. Profits will be significantly down in 2022. On the upside our online business has doubled its sales so far this year and we are investing £1.2m in new machinery and vehicles to improve our productivity and competitiveness.

A top of the range Lisec KSR/KSV will greatly increase our capacity in our volume business and will boost our sales turnover in 2024 to the £15/16m range. I believe this will, along with the continued expansion of our heavier processed business, make 2024 our most profitable year to date.

On behalf of the board

George Howard
Chief Executive

On behalf of the board

G A Howard
Director

27 September 2023

EXPRESS TOUGHENING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company is glass toughening.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors' interests in the shares of the company were as stated below:

G S Curtis
P S Curtis
D R Curtis
A W Curtis
G A Howard

Auditor

In accordance with the company's articles, a resolution proposing that F M C B be reappointed as auditors of the company will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

EXPRESS TOUGHENING LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

On behalf of the board

G A Howard
Director

27 September 2023

EXPRESS TOUGHENING LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EXPRESS TOUGHENING LIMITED

Opinion

We have audited the financial statements of EXPRESS TOUGHENING LIMITED (the 'company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 *Auditor's 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

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

EXPRESS TOUGHENING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EXPRESS TOUGHENING 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered information including the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management regarding identification and assessment of the risks of irregularities;
- the internal controls and company procedures established to detect and mitigate risks of fraud or non-compliance with laws and regulations;
- the legal and regulatory framework that the company operates in which includes in this context the Companies Act and tax legislation;
- consideration of factors that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate.

EXPRESS TOUGHENING LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EXPRESS TOUGHENING LIMITED

As a result of considering the above we use audit procedures to respond to any potential risks. Procedures used include the following:

- reviewing the financial statement disclosures and testing supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management to obtain an understanding of any provisions and testing the appropriateness of journal entries and other adjustments;
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above procedures the engagement team remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

Use of our report

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

Jeffrey Zinkin FCA
Senior Statutory Auditor
For and on behalf of F M C B

28 September 2023

Chartered Accountants
Statutory Auditor

3rd Floor
Hathaway House
Popes Drive
Finchley
London
N3 1QF

EXPRESS TOUGHENING LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	14,016,724	13,152,684
Cost of sales		(8,493,446)	(7,342,850)
Gross profit		<u>5,523,278</u>	<u>5,809,834</u>
Distribution costs		(496,499)	(464,860)
Administrative expenses		(4,503,171)	(4,174,935)
Other operating income		-	5,311
Operating profit	4	<u>523,608</u>	<u>1,175,350</u>
Interest receivable and similar income	7	1,139	-
Interest payable and similar expenses	8	(21,686)	(20,777)
Profit before taxation		<u>503,061</u>	<u>1,154,573</u>
Tax on profit	9	(81,584)	(120,545)
Profit for the financial year		<u><u>421,477</u></u>	<u><u>1,034,028</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

EXPRESS TOUGHENING LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	10		2,790,243		3,037,202
Current assets					
Stocks	11	232,262		225,917	
Debtors	12	2,563,195		2,727,524	
Cash at bank and in hand		1,743,212		931,922	
		<u>4,538,669</u>		<u>3,885,363</u>	
Creditors: amounts falling due within one year	13	<u>(2,253,395)</u>		<u>(2,143,179)</u>	
Net current assets			<u>2,285,274</u>		<u>1,742,184</u>
Total assets less current liabilities			5,075,517		4,779,386
Creditors: amounts falling due after more than one year	14		(187,333)		(287,213)
Provisions for liabilities					
Deferred tax liability	19	<u>374,421</u>		<u>399,887</u>	
			<u>(374,421)</u>		<u>(399,887)</u>
Net assets			<u>4,513,763</u>		<u>4,092,286</u>
Capital and reserves					
Called up share capital	23		2		2
Profit and loss reserves			<u>4,513,761</u>		<u>4,092,284</u>
Total equity			<u>4,513,763</u>		<u>4,092,286</u>

The financial statements were approved by the board of directors and authorised for issue on 27 September 2023 and are signed on its behalf by:

G S Curtis
Director

P S Curtis
Director

Company Registration No. 04097667

EXPRESS TOUGHENING LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2021	2	3,058,256	3,058,258
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	1,034,028	1,034,028
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	2	4,092,284	4,092,286
Year ended 31 December 2022:			
Profit and total comprehensive income for the year	-	421,477	421,477
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	<u>2</u>	<u>4,513,761</u>	<u>4,513,763</u>

EXPRESS TOUGHENING LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	20	1,866,221		1,182,035	
Interest paid		(21,686)		(20,777)	
Income taxes (paid)/refunded		(78,870)		50,076	
Net cash inflow from operating activities		<u>1,765,665</u>		<u>1,211,334</u>	
Investing activities					
Purchase of tangible fixed assets		(450,731)		(518,288)	
Proceeds from disposal of tangible fixed assets		25,833		81,996	
Repayment of loans		(368,499)		(715,117)	
Interest received		1,139		-	
Net cash used in investing activities		<u>(792,258)</u>		<u>(1,151,409)</u>	
Financing activities					
Repayment of bank loans		(83,333)		(41,667)	
Payment of finance leases obligations		(78,784)		(115,062)	
Net cash used in financing activities		<u>(162,117)</u>		<u>(156,729)</u>	
Net increase/(decrease) in cash and cash equivalents		811,290		(96,804)	
Cash and cash equivalents at beginning of year		931,922		1,028,726	
Cash and cash equivalents at end of year		<u><u>1,743,212</u></u>		<u><u>931,922</u></u>	

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

EXPRESS TOUGHENING LIMITED is a private company limited by shares incorporated in England and Wales. The registered office is 51-55 Fowler Road, Hainault Industrial Estate, Hainault, Essex, IG6 3XE.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors consider the company has adequate resources to continue in operational existence for the foreseeable future and therefore the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20 years
Plant and machinery	Between 2 - 15 years
Fixtures, fittings & equipment	Between 2 - 10 years
Computer equipment	Between 2 - 5 years
Motor vehicles	Between 3 - 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.5 Impairment of fixed assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered a material impairment loss. If a material impairment loss arises then it is recognised in the profit and loss account or against the revaluation reserve if the asset has been revalued.

1.6 Stocks

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

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial assets

Financial assets include debtors, other receivables and bank balances.

Financial liabilities

Financial liabilities include trade creditors, finance lease and other payables.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the term of the relevant lease.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 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 periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2022	2021
	£	£
Turnover analysed by class of business		
	14,016,724	13,152,684
	<u> </u>	<u> </u>

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	14,015,196	13,151,156
Export sales	1,528	1,528
	<u> </u>	<u> </u>
	14,016,724	13,152,684
	<u> </u>	<u> </u>

	2022	2021
	£	£
Other revenue		
Interest income	1,139	-
Grants received	-	5,311
	<u> </u>	<u> </u>

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(5,311)
Fees payable to the company's auditor for the audit of the company's financial statements	22,650	15,000
Depreciation of owned tangible fixed assets	507,861	516,248
Depreciation of tangible fixed assets held under finance leases	163,270	139,144
Loss on disposal of tangible fixed assets	726	20,175
Operating lease charges	447,336	400,051
	<u> </u>	<u> </u>

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022 Number	2021 Number
Admin	30	28
Production	68	66
Total	98	94

Their aggregate remuneration comprised:

	2022 £	2021 £
Wages and salaries	3,705,924	3,519,792
Social security costs	450,291	384,607
Pension costs	61,048	46,365
	4,217,263	3,950,764

6 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	453,945	601,137

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	150,885	143,200

7 Interest receivable and similar income

	2022 £	2021 £
Interest income		
Other interest income	1,139	-

8 Interest payable and similar expenses

	2022 £	2021 £
Other finance costs:		
Interest on finance leases and hire purchase contracts	21,686	20,777

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Taxation	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	107,050	130,529
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(25,466)	(9,984)
	<u> </u>	<u> </u>
Total tax charge	81,584	120,545
	<u> </u>	<u> </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Profit before taxation	503,061	1,154,573
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	95,582	219,369
Tax effect of expenses that are not deductible in determining taxable profit	13,659	12,784
Tax effect of utilisation of tax losses not previously recognised	-	(36,188)
Permanent capital allowances in excess of depreciation	(25,466)	(9,984)
Depreciation add back	127,515	124,525
Provision utilisation	(6,460)	-
Capital allowance	(123,246)	(138,747)
Research and development	-	(51,214)
	<u> </u>	<u> </u>
Taxation charge for the year	81,584	120,545
	<u> </u>	<u> </u>

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Tangible fixed assets

	Leasehold improvements	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2022	172,424	4,845,796	800,768	209,430	565,850	6,594,268
Additions	-	315,562	97,946	7,701	29,522	450,731
Disposals	-	(26,000)	-	-	(91,300)	(117,300)
At 31 December 2022	172,424	5,135,358	898,714	217,131	504,072	6,927,699
Depreciation and impairment						
At 1 January 2022	34,506	2,469,729	484,805	197,916	370,110	3,557,066
Depreciation charged in the year	9,902	465,469	103,726	11,404	80,630	671,131
Eliminated in respect of disposals	-	(10,400)	-	-	(80,341)	(90,741)
At 31 December 2022	44,408	2,924,798	588,531	209,320	370,399	4,137,456
Carrying amount						
At 31 December 2022	128,016	2,210,560	310,183	7,811	133,673	2,790,243
At 31 December 2021	137,918	2,376,067	315,963	11,514	195,740	3,037,202

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases and hire purchase contracts. The depreciation charge in respect of such assets amounted to £163,270 (2021 - £139,144) for the year.

	2022 £	2021 £
Plant and machinery	752,743	887,485
Motor vehicles	106,762	163,830
	859,505	1,051,315

11 Stocks

	2022 £	2021 £
Finished goods and goods for resale	232,262	225,917

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Debtors		2022	2021
Amounts falling due within one year:		£	£
Trade debtors		1,228,664	1,785,892
Corporation tax recoverable		-	51,659
Other debtors		1,086,565	736,819
Prepayments and accrued income		247,966	153,154
		<u>2,563,195</u>	<u>2,727,524</u>
13 Creditors: amounts falling due within one year		2022	2021
	Notes	£	£
Bank loans	15	83,333	83,333
Obligations under finance leases	16	204,955	267,192
Trade creditors		1,121,773	894,326
Corporation tax		107,050	130,529
Other taxation and social security		395,453	370,683
Other creditors		76,814	57,899
Accruals and deferred income		264,017	339,217
		<u>2,253,395</u>	<u>2,143,179</u>
14 Creditors: amounts falling due after more than one year		2022	2021
	Notes	£	£
Bank loans and overdrafts	15	41,667	125,000
Obligations under finance leases	16	145,666	162,213
		<u>187,333</u>	<u>287,213</u>
15 Loans and overdrafts		2022	2021
		£	£
Bank loans		125,000	208,333
		<u>125,000</u>	<u>208,333</u>
Payable within one year		83,333	83,333
Payable after one year		41,667	125,000
		<u>125,000</u>	<u>125,000</u>

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Finance lease obligations

	2022	2021
	£	£
Future minimum lease payments due under finance leases:		
Within one year	204,955	267,192
In two to five years	145,666	162,213
	<u>350,621</u>	<u>429,405</u>

Finance lease obligations represent amount payable by the company for motor vehicles and plant & machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets.

17 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	395,859	394,109
Between two and five years	345,272	354,138
	<u>741,131</u>	<u>748,247</u>

18 Retirement benefit schemes

	2022	2021
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	61,048	46,365
	<u>61,048</u>	<u>46,365</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2022	Liabilities 2021
	£	£
Balances:		
ACAs	374,421	399,887
	<u>374,421</u>	<u>399,887</u>

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19	Deferred taxation	(Continued)
		2022
	Movements in the year:	£
	Liability at 1 January 2022	399,887
	Credit to profit or loss	(25,466)
	Liability at 31 December 2022	<u>374,421</u>

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20	Cash generated from operations	2022	2021
		£	£
	Profit for the year after tax	421,477	1,034,028
	Adjustments for:		
	Taxation charged	81,584	120,545
	Finance costs	21,686	20,777
	Investment income	(1,139)	-
	Loss on disposal of tangible fixed assets	726	20,175
	Depreciation and impairment of tangible fixed assets	671,131	655,392
	Movements in working capital:		
	Increase in stocks	(6,345)	(29,074)
	Decrease/(increase) in debtors	481,169	(774,174)
	Increase in creditors	195,932	134,366
	Cash generated from operations	<u>1,866,221</u>	<u>1,182,035</u>

21	Analysis of changes in net funds	1 January 2022	Cash flows	31 December 2022
		£	£	£
	Cash at bank and in hand	931,922	811,290	1,743,212
	Borrowings excluding overdrafts	(208,333)	83,333	(125,000)
	Obligations under finance leases	(429,405)	78,784	(350,621)
		<u>294,184</u>	<u>973,407</u>	<u>1,267,591</u>

EXPRESS TOUGHENING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Related party transactions

The company paid rent of £353,784 (2021: £327,307) to the Directors Pension Funds, The GS & PS Curtis SAPPF.

The company paid £93,552 (2021: £70,542) to the directors for office rental & repairs to the office spaces. This included any repairs that were required to be undertaken in the office spaces.

During the year, Trustees of The GS & PS Curtis SAPPF Funds charged the company £1,896 (2021: £5,266) for building insurance. This no longer includes our main site, as this is directly by EGW.

On 25 October 2007, the directors GS and PS Curtis gave personal guarantees to the company's bankers for £290,000.

During the year the company made net sales of £129,393 (2021: £71,318) and purchases of £312 (2021: £260) to and from Vistamatic Limited.

Included in trade debtors is an amount of £6,244 (2021: £7,582) owed by Vistamatic Limited. Included in trade creditors is an amount of £Nil (2021:£30) owed to Vistamatic Limited. GS Curtis and PS Curtis are shareholders of Vistamatic Limited.

During the year the company made net sales of £347,795 (2021: £171,688) to Between Glass Blinds Limited.

Included in trade debtors is an amount of £24,079 (2021: £27,106) owed by Between Glass Blinds Limited. GS Curtis and PS Curtis are shareholders of Between Glass Blinds Limited.

At the year end the directors owed the company £1,083,616 (2021: £715,117).

23 Share capital

	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary of £1 each	2	2	2	2
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</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.