REGISTERED NUMBER: 00817600 (England and Wales)

Group Strategic Report, Report of the Directors and

Consolidated Financial Statements for the Year Ended 31 March 2024

for

Hereford Galvanizers Limited

Contents of the Consolidated Financial Statements
for the year ended 31 March 2024

Company Information
for the year ended 31 March 2024

Directors:	E J Hayes Ms M B Jackson Dr F Shallcross D A Watkins P Shipley
Secretary:	Ms M B Jackson
Registered office:	Westfields Trading Estate Hereford HR4 9NS
Registered number:	00817600 (England and Wales)
Auditors:	Acre Accountancy Limited Statutory Auditor Certified Accountants Unit 2 Foley Works Foley Industrial Estate Hereford Herefordshire HR1 2SF

The directors present their strategic report of the company and the group for the year ended 31 March 2024.

Review of business
The principal activities of the Company throughout the year was that of hot dip galvanizing and powder coatings of mild steel products & fabrications. The principal activity of the subsidiary Company were those of providing technical services to the hot dip galvanizing industry and the distribution of wire & chemicals through its Quantum Group Division.

The results for the year and financial position of the Company are as shown in the annexed financial statements.

Business review
The turnover for the year to 31/3/24 decreased to £12,235,911 (2022/23 - £12,784,643) with an operating profit of £925,228 (2022/23 - £1,405,318).

During the period the Company saw a number of outside factors which affected overall business performance, namely higher inflation, interest rates, a reduction in the amount of steel galvanized in the UK, higher energy costs (compared to Europe) and general economic confidence. The Company saw a number of cost increases namely labour, materials & operating costs and adjusted base prices accordingly in a competitive market.

In general, our galvanizing plants performed well with the steel volume demand from our customers, and we saw continued development of regular duplex customers through our Shropshire operating plants.

Trading for the subsidiary company decreased by 19% compared to the previous year as some Zinco Projects were delayed along with lower volumes experienced in the wire and chemical distribution business mainly due to very competitive pricing in the marketplace. Despite this, overall margins and returns were satisfactory for the subsidiary company.

The Directors believe the general outlook for the economy in 2024 / 25 remains cautiously optimistic with the change in government, the drive to economic growth, inward investment in UK infrastructure and a lowering of inflation / interest rates. The Board continues with the Company's rolling R & M / Capital plans across all coating sites to update the infrastructure including the installation of new cranes, transport / materials handling equipment and pre-treatment tanks planned for installation later in 2024/25.

Employment rates in the UK remain relatively low and recruitment / retention of personnel remains a challenge for all UK businesses in manufacturing and construction, including our own. The Company endeavours to ensure it can provide good rates of pay / additional benefits to encourage recruitment / retention of people as well as investing in training & development of all employees.

The Company is pleased to have a wide diversity of customers and regularly assesses price / margins / volumes and risk.

The health, safety and welfare of all our employees & stakeholders is important to the business and the Company continues to monitor such matters on a regular basis. The Directors were pleased to note a continued reduction, year on year, of lost time accidents across our coating sites. The Company is working towards accreditation of ISO14001 and ISO45001 in its coating operations during 2024/25.

Given the operational challenges to trading the Directors consider the results to be satisfactory.

Principal risks and uncertainties
The risks to the Company are assessed on a regular basis, these include customer, supplier, liquidity, interest rates, commodity prices (zinc) and energy costs.

The Directors and Senior management team continues to assess performance of the business on a regular basis and evaluate the likelihood and potential impact of each risk and ensure appropriate action is taken to mitigate it.

On behalf of the board:

Ms M B Jackson - Director

27 November 2024

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2024.

Principal activities
The principal activities of the Company throughout the year was that of hot dip galvanizing and powder coatings of mild steel products & fabrications.The principal activities of our subsidiary company were those of providing technical services to the hot dip galvanizing industry. The Quantum division sells wire and chemicals that are used by galvanizers.

Dividends
The directors recommended and paid dividends in the year of £76,470 to preference shareholders (2023: £80,220) and £290,000 to ordinary shareholders (2023: £410,000).

Directors
The directors shown below have held office during the whole of the period from 1 April 2023 to the date of this report.

E J Hayes
Ms M B Jackson
Dr F Shallcross
D A Watkins

Other changes in directors holding office are as follows:

B M Gould - resigned 31 March 2024
P Shipley - appointed 1 July 2023

Statement of directors' responsibilities
The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group'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 group's auditors are aware of that information.

Auditors
The auditors, Acre Accountancy Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

Ms M B Jackson - Director

27 November 2024

Opinion

We have audited the financial statements of Hereford Galvanizers Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 group's and of the parent company affairs as at 31 March 2024 and of the group's 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 group 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 group's and the parent 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 Group 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 Group 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 Group Strategic Report and the Report of the Directors have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 four, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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:

We enquired with management about the legal framework that the company operates in. We also enquired about the risk of fraud and whether they were aware of any instances of fraud.
We communicated the outcome of this risk assessment with the audit team and planned our audit work accordingly. Our work in these areas is limited to analytical procedures and inspection of relevant documentation. Where a breach of operational regulations is not disclosed to us, or it is not evident from documentation that we receive during the audit, an audit will not detect that breach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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.

Russell John Spencer FCCA (Senior Statutory Auditor)
for and on behalf of Acre Accountancy Limited
Statutory Auditor
Certified Accountants
Unit 2 Foley Works
Foley Industrial Estate
Hereford
Herefordshire
HR1 2SF

28 November 2024

Consolidated Statement of Comprehensive Income
for the year ended 31 March 2024

	Notes	2024 £	2023 £
TURNOVER		12,235,911	12,784,643
Cost of sales		(8,570,213)	(8,635,377)
GROSS PROFIT		3,665,698	4,149,266
Distribution costs		(826,253)	(928,122)
Administrative expenses		(1,914,217)	(1,815,825)
OPERATING PROFIT	4	925,228	1,405,319
Interest receivable and similar income		1,823	39
		927,051	1,405,358
Interest payable and similar expenses	5	(105,550)	(108,712)
PROFIT BEFORE TAXATION		821,501	1,296,646
Tax on profit	6	(230,524)	(256,304)
PROFIT FOR THE FINANCIAL YEAR		590,977	1,040,342
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		590,977	1,040,342
Profit attributable to:			
Owners of the parent		590,977	1,040,342
Total comprehensive income attributable to:			
Owners of the parent		590,977	1,040,342

The notes form part of these financial statements

Consolidated Balance Sheet
31 March 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	1,995,177	1,945,408
Investments	11	-	-
		1,995,177	1,945,408
CURRENT ASSETS			
Stocks	12	1,198,745	1,376,693
Debtors	13	1,832,180	2,202,024
Cash at bank and in hand		1,825,089	984,777
		4,856,014	4,563,494
CREDITORS			
Amounts falling due within one year	14	(1,633,411)	(1,424,263)
NET CURRENT ASSETS		3,222,603	3,139,231
TOTAL ASSETS LESS CURRENT LIABILITIES		5,217,780	5,084,639
CREDITORS			
Amounts falling due after more than one year	15	(853,433)	(1,051,356)
PROVISIONS FOR LIABILITIES	19	(321,936)	(291,848)
NET ASSETS		4,042,411	3,741,435
CAPITAL AND RESERVES			
Called up share capital	20	17,840	17,840
Retained earnings	21	4,024,571	3,723,595
SHAREHOLDERS' FUNDS		4,042,411	3,741,435

The financial statements were approved by the Board of Directors and authorised for issue on 27 November 2024 and were signed on its behalf by:

D A Watkins - Director

The notes form part of these financial statements

Company Balance Sheet
31 March 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Intangible assets	9	-	-
Tangible assets	10	1,815,046	1,750,183
Investments	11	20,001	20,001
		1,835,047	1,770,184
CURRENT ASSETS			
Stocks	12	1,136,508	1,327,182
Debtors	13	1,754,506	2,093,530
Cash at bank and in hand		1,484,300	735,510
		4,375,314	4,156,222
CREDITORS			
Amounts falling due within one year	14	(1,294,378)	(1,139,872)
NET CURRENT ASSETS		3,080,936	3,016,350
TOTAL ASSETS LESS CURRENT LIABILITIES		4,915,983	4,786,534
CREDITORS			
Amounts falling due after more than one year	15	(853,433)	(1,051,356)
PROVISIONS FOR LIABILITIES	19	(279,542)	(246,260)
NET ASSETS		3,783,008	3,488,918
CAPITAL AND RESERVES			
Called up share capital	20	17,840	17,840
Retained earnings	21	3,765,168	3,471,078
SHAREHOLDERS' FUNDS		3,783,008	3,488,918
Company's profit for the financial year		584,090	981,005

The financial statements were approved by the Board of Directors and authorised for issue on 27 November 2024 and were signed on its behalf by:

D A Watkins - Director

Consolidated Statement of Changes in Equity
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2022	17,840	3,093,253	3,111,093
Changes in equity			
Dividends	-	(410,000)	(410,000)
Total comprehensive income	-	1,040,342	1,040,342
Balance at 31 March 2023	17,840	3,723,595	3,741,435
Changes in equity			
Dividends	-	(290,000)	(290,000)
Total comprehensive income	-	590,977	590,977
Balance at 31 March 2024	17,840	4,024,572	4,042,412

The notes form part of these financial statements

Company Statement of Changes in Equity
for the year ended 31 March 2024

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2022	17,840	2,900,073	2,917,913
Changes in equity			
Dividends	-	(410,000)	(410,000)
Total comprehensive income	-	981,005	981,005
Balance at 31 March 2023	17,840	3,471,078	3,488,918
Changes in equity			
Dividends	-	(290,000)	(290,000)
Total comprehensive income	-	584,090	584,090
Balance at 31 March 2024	17,840	3,765,168	3,783,008

The notes form part of these financial statements

Consolidated Cash Flow Statement
for the year ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	2,027,609	1,021,671
Interest paid		(19,232)	(10,458)
Interest element of hire purchase payments paid		(9,848)	(11,985)
Finance costs paid		(76,470)	(86,269)
Tax paid		(247,202)	(227,290)
Net cash from operating activities		1,674,857	685,669
Cash flows from investing activities			
Purchase of tangible fixed assets		(330,101)	(241,211)
Sale of tangible fixed assets		43,156	19,186
Interest received		1,823	39
Net cash from investing activities		(285,122)	(221,986)
Cash flows from financing activities			
Loan repayments in year		(70,000)	(70,000)
New finance agreements		-	85,314
Capital repayments in year		(124,423)	(122,931)
Share buyback		(65,000)	(25,000)
Equity dividends paid		(290,000)	(410,000)
Net cash from financing activities		(549,423)	(542,617)
Increase/(decrease) in cash and cash equivalents		840,312	(78,934)
Cash and cash equivalents at beginning of year	2	984,777	1,063,711
Cash and cash equivalents at end of year	2	1,825,089	984,777

The notes form part of these financial statements

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

	2024	2023
	£	£
Profit before taxation	821,501	1,296,646
Depreciation charges	245,501	248,546
Profit on disposal of fixed assets	(8,328)	(4,859)
Finance costs	105,550	108,712
Finance income	(1,823)	(39)
	1,162,401	1,649,006
Decrease/(increase) in stocks	177,948	(268,289)
Decrease in trade and other debtors	606,731	302,023
Increase/(decrease) in trade and other creditors	80,529	(661,069)
Cash generated from operations	2,027,609	1,021,671

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 31 March 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	1,825,089	984,777

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	984,777	1,063,723
Bank overdrafts	-	(12)
	984,777	1,063,711

3. **ANALYSIS OF CHANGES IN NET (DEBT)/FUNDS**

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank and in hand	984,777	840,312	1,825,089
	984,777	840,312	1,825,089
Debt			
Finance leases	(252,609)	124,423	(128,186)
Debts falling due within 1 year	(65,697)	15,697	(50,000)
Debts falling due after 1 year	(923,170)	119,303	(803,867)
	(1,241,476)	259,423	(982,053)
Total	(256,699)	1,099,735	843,036

1. **STATUTORY INFORMATION**

Hereford Galvanizers 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 General 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.

Goodwill
Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Balance Sheet and, where appropriate, amortised over its useful life of 5 years.

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.

Freehold property	-	2% on cost
Plant and machinery	-	15% on reducing balance
Fixtures and fittings	-	25% on cost and 15% on reducing balance
Motor vehicles	-	25% on reducing balance and 20% on reducing balance

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Financial instruments
Financial instruments are classified and accounted for according to the substance of the contractual arrangement. They are classified as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

continued...

2. **ACCOUNTING POLICIES - continued**

Deferred tax

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

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

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

Hire purchase and leasing commitments

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 group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

	2024	2023
	£	£
Wages and salaries	3,799,416	3,726,487
Social security costs	356,496	365,905
Other pension costs	139,951	130,936
	4,295,863	4,223,328

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

	2024	2023
Production staff	84	90
Administration staff	20	21
Directors	5	5
	109	116

	2024	2023
	£	£
Directors' remuneration	419,880	339,526
Directors' pension contributions to money purchase schemes	35,075	26,877

Information regarding the highest paid director is as follows:

	2024	2023
	£	£
Emoluments etc	152,114	150,960
Pension contributions to money purchase schemes	17,385	13,399

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4. OPERATING PROFIT

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

	2024	2023
	£	£
Hire of plant and machinery	38,739	9,468
Other operating leases	55,782	53,812
Depreciation - owned assets	245,502	248,546
Profit on disposal of fixed assets	(8,328)	(4,859)
Auditors' remuneration	6,000	5,662
Foreign exchange differences	-	(21)

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2024	2023
	£	£
Bank interest	438	-
Bank loan interest	14,887	10,458
Factoring charges	10	6,049
Other interest	3,897	-
Hire purchase	9,848	11,985
Preference share dividend	76,470	80,220
	105,550	108,712

6. TAXATION

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

	2024	2023
	£	£
Current tax:		
UK corporation tax	200,436	247,243
Under/(over) provision	-	(927)
Total current tax	200,436	246,316
Deferred tax:		
Deferred tax	30,088	9,019
Prior year deferred tax	-	969
Total deferred tax	30,088	9,988
Tax on profit	230,524	256,304

7. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements.

continued...

8. DIVIDENDS

	2024	2023
	£	£
Ordinary shares shares of £1 each		
Interim	290,000	410,000

9. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
Cost	
At 1 April 2023	25,000
Disposals	(25,000)
At 31 March 2024	-
Amortisation	
At 1 April 2023	25,000
Eliminated on disposal	(25,000)
At 31 March 2024	-
Net book value	
At 31 March 2024	-
At 31 March 2023	-

10. TANGIBLE FIXED ASSETS

Group

	Freehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£	£
Cost					
At 1 April 2023	1,324,559	3,170,028	234,669	732,376	5,461,632
Additions	-	304,961	4,140	21,000	330,101
Disposals	(13,162)	(61,442)	(1,085)	(127,000)	(202,689)
At 31 March 2024	1,311,397	3,413,547	237,724	626,376	5,589,044
Depreciation					
At 1 April 2023	604,220	2,187,121	201,691	523,194	3,516,226
Charge for year	26,228	166,103	11,403	41,768	245,502
Eliminated on disposal	(12,290)	(47,685)	(949)	(106,937)	(167,861)
At 31 March 2024	618,158	2,305,539	212,145	458,025	3,593,867
Net book value					
At 31 March 2024	693,239	1,108,008	25,579	168,351	1,995,177
At 31 March 2023	720,339	982,907	32,978	209,182	1,945,406

continued...

10. TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
Cost					
At 1 April 2023	1,324,559	2,553,211	223,340	732,375	4,833,485
Additions	-	288,743	4,140	21,000	313,883
Disposals	(13,162)	(61,442)	(1,085)	(127,000)	(202,689)
At 31 March 2024	1,311,397	2,780,512	226,395	626,375	4,944,679
Depreciation					
At 1 April 2023	604,220	1,761,843	194,045	523,194	3,083,302
Charge for year	26,228	135,345	10,851	41,768	214,192
Eliminated on disposal	(12,290)	(47,685)	(949)	(106,937)	(167,861)
At 31 March 2024	618,158	1,849,503	203,947	458,025	3,129,633
Net book value					
At 31 March 2024	693,239	931,009	22,448	168,350	1,815,046
At 31 March 2023	720,339	791,368	29,295	209,181	1,750,183

11. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
Cost	
At 1 April 2023 and 31 March 2024	20,001
Net book value	
At 31 March 2024	20,001
At 31 March 2023	20,001

continued...

11. **FIXED ASSET INVESTMENTS - continued**

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

Subsidiaries

Shropshire Galvanizers Limited
Registered office:
Nature of business: Dormant

Class of shares:	% holding
Ordinary	100.00

	2024	2023
	£	£
Aggregate capital and reserves	1	1

Zinco International Limited
Registered office:
Nature of business: Technical services

Class of shares:	% holding
Ordinary	100.00

	2024	2023
	£	£
Aggregate capital and reserves	279,403	272,516
Profit for the year	40,887	59,337

12. **STOCKS**

	Group		**Company**	
	2024	2023	2024	2023
	£	£	£	£
Stocks	1,103,273	1,200,133	1,041,036	1,150,622
Work-in-progress	95,472	176,560	95,472	176,560
	1,198,745	1,376,693	1,136,508	1,327,182

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		**Company**	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	1,793,452	2,099,056	1,666,203	1,919,335
Amounts owed by group undertakings	-	-	49,575	71,227
Invoice discounting deposits	-	1,610	-	1,610
Prepayments and accrued income	38,728	101,358	38,728	101,358
	1,832,180	2,202,024	1,754,506	2,093,530

continued...

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Bank loans and overdrafts (see note 16)	50,000	65,697	50,000	65,697
Hire purchase contracts (see note 17)	78,620	124,423	78,620	94,813
Trade creditors	463,667	552,911	394,207	386,683
Amounts owed to group undertakings	-	-	1	43,251
Tax	200,436	247,203	184,426	235,208
Social security and other taxes	98,423	81,738	96,058	78,884
VAT	384,035	147,149	390,291	137,536
Other creditors	39,986	44,556	30,313	25,028
Accruals and deferred income	318,244	160,586	70,462	72,772
	1,633,411	1,424,263	1,294,378	1,139,872

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

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Bank loans (see note 16)	91,667	145,970	91,667	145,970
Preference shares (see note 16)	712,200	777,200	712,200	777,200
Hire purchase contracts (see note 17)	49,566	128,186	49,566	128,186
	853,433	1,051,356	853,433	1,051,356

16. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	50,000	65,697	50,000	65,697
Amounts falling due between one and two years:				
Preference shares	712,200	777,200	712,200	777,200
Amounts falling due between two and five years:				
Bank loans - 2-5 years	91,667	145,970	91,667	145,970

Details of shares shown as liabilities are as follows:

Allotted, issued and fully paid

continued...

16. **LOANS - continued**

Number:	Class:	Nominal Value:	2024 £	2023 £
712,200	Redeemable preference shares	£1	712,200	777,200

The redeemable preference shares carry the right to a fixed cumulative preferential dividend at the rate of 10% per annum, and are redeemable at the option of the company.

17. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts 2024 £	2023 £
Net obligations repayable:		
Within one year	78,620	124,423
Between one and five years	49,566	128,186
	128,186	252,609

Company

	Hire purchase contracts 2024 £	2023 £
Net obligations repayable:		
Within one year	78,620	94,813
Between one and five years	49,566	128,186
	128,186	222,999

Company

	Non-cancellable operating leases 2024 £	2023 £
Within one year	30,250	29,568
Between one and five years	15,500	182,420
In more than five years	-	15,500
	45,750	227,488

continued...

18. SECURED DEBTS

The following secured debts are included within creditors:

	Company	
	2024	2023
	£	£
Bank loans	141,667	211,667

The company's overdraft facility is repayable on demand but subject to periodic review. The overdraft is secured by an unlimited debenture incorporating a first legal charge over the land and buildings from where the company operates in Hereford and also Plots 12 and 13 Mile End Business Park, Oswestry and Land and buildings at Westfield Trading Estate, Grandstand Road, Hereford along with the Land & Gantry adjoining Grandstand Road land.

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Deferred tax	321,936	291,848	279,542	246,260

Group

	Deferred tax
	£
Balance at 1 April 2023	291,848
Provided during year	30,088
Balance at 31 March 2024	321,936

Company

	Deferred tax
	£
Balance at 1 April 2023	246,260
Accelerated capital allowances	33,282
Balance at 31 March 2024	279,542

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024	2023
			£	£
17,840	Ordinary shares	£1	17,840	17,840

continued...

21. RESERVES

Group

	Retained earnings £
At 1 April 2023	3,723,594
Profit for the year	590,977
Dividends	(290,000)
At 31 March 2024	4,024,571

Company

	Retained earnings £
At 1 April 2023	3,471,078
Profit for the year	584,090
Dividends	(290,000)
At 31 March 2024	3,765,168