

Registered number  
2565308

Midland Building Products Limited

Report and Financial Statements

31 March 2019



**Midland Building Products Limited**  
**Report and accounts**  
**Contents**

	<b>Page</b>
Company information	1
Directors' report	2
Strategic report	4
Independent auditor's report	5
Income statement	7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Notes to the financial statements	12

## **Midland Building Products Limited Company Information**

### **Directors**

MT Finney  
KF Crane  
PJ McGuire  
JJ Vann

### **Secretary**

JJ Vann - Resigned 30/11/2019  
JW Vann - Appointed 30/11/2019

### **Auditors**

Attwood & Co  
Crescent Industrial Park  
Peartree Lane  
Dudley  
West Midlands

### **Bankers**

NatWest  
3 Church Street  
Oldbury  
Warley  
West Midlands

### **Registered office**

Units 6-11 Spartan Industrial Centre  
Brickhouse Lane  
West Bromwich  
West Midlands  
B70 0DH

### **Registered number**

2565308

## **Midland Building Products Limited**

**Registered number:** 2565308

### **Directors' Report**

The directors present their report and financial statements for the year ended 31 March 2019.

#### **Principal activities**

The company's principal activity during the year continued to be manufacturers and suppliers of joinery products to the construction industry.

#### **Strategic Report**

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of review of the business, future developments, principal risks and uncertainties and financial instruments.

#### **Dividends**

The directors recommend the payment of dividends of £320,000 on the A Ordinary equity shares and £200,000 on the B Ordinary equity shares which have been provided for in these accounts.

#### **Directors**

The following persons served as directors during the year:

MT Finney  
KF Crane  
PJ McGuire  
JJ Vann

#### **Directors' responsibilities**

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

**Midland Building Products Limited**

**Registered number:** 2565308

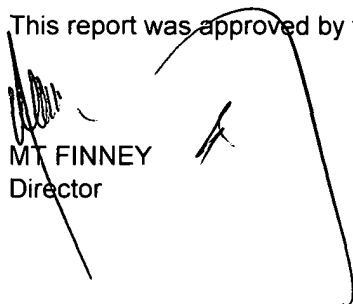
**Directors' Report**

**Disclosure of information to auditors**

Each person who was a director at the time this report was approved confirms that:

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

This report was approved by the board on 20 December 2019 and signed on its behalf.



MT FINNEY  
Director

## **Midland Building Products Limited Strategic Report**

### **Review of the business**

The turnover for the year has increased by 22.5% to £18,129,311 compared to 2018. The increase relates primarily to a further increase in sales of doorsets during the year. The company continues to focus on this area as demand for this product in the market increases, compared to the supply of conventional doors. Gross margin has decreased slightly to 29.0% compared to 29.4% in 2018 and overheads have increased by 15.5% which is a reflection of the increase in turnover with higher distribution costs and further investment in staff and premises. Overall this has resulted in an increased net profit for the year by comparison with 2018.

The directors consider that the financial position of the business at 31 March 2019 is satisfactory.

### **Future developments**

Good sales growth spearheaded by a significant increase in doorset sales has been experienced in quarters 1 & 2 for 2019-20. However quarter 3 has witnessed a down turn in sales and the directors anticipate further tough trading conditions in 2020. The company has been able to maintain its gross margin and control overhead expenditure to ensure that profitability levels remain buoyant in the first half of 2019-20. The directors have continued to monitor the business strategy and review investment opportunities in order to maintain the company as a market leader in the supply of fire rated doors, doorsets and specialist doors to the UK construction industry.

### **Principal risks and uncertainties**

The principal risks and uncertainties facing the company are as a result of the current continuing economic climate in the UK especially in light of the ongoing of the Brexit negotiations.

The effects on cashflow in this economic climate is a primary concern and the directors continue to monitor its risk of incurring bad debts. The company continues to maintain its policy of rigorous credit control to minimise this risk. The directors are also strictly monitoring and controlling overheads in order to maintain profitability.

### **Financial instruments**

The company has a normal exposure to price, credit, liquidity and cash flow risks arising from trading activities which are only conducted in sterling. The company does not enter into any hedging transactions.

This report was approved by the board on 20 December 2019 and signed on its behalf.



MT FINNEY  
Director

**Midland Building Products Limited**  
**Independent auditor's report**  
**to the members of Midland Building Products Limited**

**Opinion**

We have audited the financial statements of Midland Building Products Limited for the year ended 31 March 2019 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and the 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 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis of 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 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.

**Midland Building Products Limited**  
**Independent auditor's report**  
**to the members of Midland Building Products 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

**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.

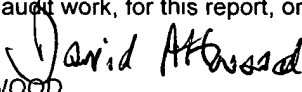
**Auditor's responsibilities for the audit of the financial statements**

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.

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 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.

  
DAVID ATTWOOD  
(Senior Statutory Auditor)  
for and on behalf of  
Attwood & Co  
Accountants and Statutory Auditors  
20 December 2019

Crescent Industrial Park  
Peartree Lane  
Dudley  
West Midlands



**Midland Building Products Limited**  
**Income Statement**  
**for the year ended 31 March 2019**

	Notes	2019 £	2018 £
<b>Turnover</b>	3	18,129,311	14,794,867
Cost of sales		(12,857,939)	(10,437,500)
<b>Gross profit</b>		<u>5,271,372</u>	<u>4,357,367</u>
Distribution costs		(931,307)	(755,490)
Administrative expenses		(5,611,034)	(4,907,870)
Other operating income		1,979,062	1,794,986
<b>Operating profit</b>	4	<u>708,093</u>	<u>488,993</u>
Profit on sale of fixed assets		14,507	63,014
Interest receivable		16,831	2,409
<b>Profit on ordinary activities before taxation</b>		<u>739,431</u>	<u>554,416</u>
Tax on profit on ordinary activities	7	(167,845)	(124,588)
<b>Profit for the financial year</b>		<u>571,586</u>	<u>429,828</u>

**Midland Building Products Limited**  
**Statement of comprehensive income**  
**for the year ended 31 March 2019**

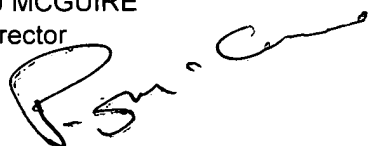
	<b>Notes</b>	<b>2019</b> <b>£</b>	<b>2018</b> <b>£</b>
<b>Profit for the financial year</b>		571,586	429,828
<b>Other comprehensive income</b>			
<b>Total comprehensive income for the year</b>		<u>571,586</u>	<u>429,828</u>

**Midland Building Products Limited**  
**Statement of Financial Position**  
**as at 31 March 2019**

	Notes	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	8	1,201,281	1,208,132
<b>Current assets</b>			
Stocks	9	793,038	680,585
Debtors	10	5,625,942	4,216,748
Cash at bank and in hand		1,873,551	949,665
		<u>8,292,531</u>	<u>5,846,998</u>
<b>Creditors: amounts falling due within one year</b>	11	(7,321,032)	(4,940,515)
<b>Net current assets</b>		<u>971,499</u>	<u>906,483</u>
<b>Total assets less current liabilities</b>		<u>2,172,780</u>	<u>2,114,615</u>
<b>Provisions for liabilities</b>			
Deferred taxation	12	(155,151)	(160,373)
Other provisions	13	(140,938)	(129,137)
		<u>(296,089)</u>	<u>(289,510)</u>
<b>Net assets</b>		<u>1,876,691</u>	<u>1,825,105</u>
<b>Capital and reserves</b>			
Called up share capital	14	60,000	60,000
Profit and loss account	15	1,816,691	1,765,105
<b>Total equity</b>		<u>1,876,691</u>	<u>1,825,105</u>

The financial statements were approved by the board of directors and authorised for issue on 20 December 2019 and signed on its behalf by:

PJ MCGUIRE  
Director



**Midland Building Products Limited**  
**Statement of Changes in Equity**  
**for the year ended 31 March 2019**

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
<b>At 1 April 2017</b>	60,000	-	-	1,655,277	1,715,277
Profit for the financial year				429,828	429,828
Dividends				(320,000)	(320,000)
<b>At 31 March 2018</b>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>1,765,105</u>	<u>1,825,105</u>
 <b>At 1 April 2018</b>	 60,000	 -	 -	 1,765,105	 1,825,105
Profit for the financial year				571,586	571,586
Dividends				(520,000)	(520,000)
<b>At 31 March 2019</b>	<u>60,000</u>	<u>-</u>	<u>-</u>	<u>1,816,691</u>	<u>1,876,691</u>

**Midland Building Products Limited**  
**Statement of Cash Flows**  
**for the year ended 31 March 2019**

	Notes	2019 £	2018 £
<b>Operating activities</b>			
Profit for the financial year		571,586	429,828
Adjustments for:			
Profit on sale of fixed assets		(14,507)	(63,014)
Interest receivable		(16,831)	(2,409)
Tax on profit on ordinary activities		167,845	124,588
Depreciation		387,282	377,649
(Increase)/decrease in stocks		(112,453)	52,845
Increase in debtors		(1,409,194)	(278,940)
Increase/(decrease) in creditors		2,008,553	(847,608)
		<u>1,582,281</u>	<u>(207,061)</u>
Interest received		16,831	2,409
Corporation tax paid		(109,302)	(118,250)
Cash generated by/(used in) operating activities		<u>1,489,810</u>	<u>(322,902)</u>
<b>Investing activities</b>			
Payments to acquire tangible fixed assets		(397,007)	(420,197)
Proceeds from sale of tangible fixed assets		31,083	127,000
Cash used in investing activities		<u>(365,924)</u>	<u>(293,197)</u>
<b>Financing activities</b>			
Equity dividends paid		(200,000)	(220,000)
Cash used in financing activities		<u>(200,000)</u>	<u>(220,000)</u>
<b>Net cash generated/(used)</b>			
Cash generated by/(used in) operating activities		1,489,810	(322,902)
Cash used in investing activities		(365,924)	(293,197)
Cash used in financing activities		(200,000)	(220,000)
Net cash generated/(used)		<u>923,886</u>	<u>(836,099)</u>
Cash and cash equivalents at 1 April		<u>949,665</u>	<u>1,785,764</u>
Cash and cash equivalents at 31 March		<u>1,873,551</u>	<u>949,665</u>
Cash and cash equivalents comprise:			
Cash at bank		<u>1,873,551</u>	<u>949,665</u>

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

**1 Summary of significant accounting policies**

***Basis of preparation***

The financial statements have been prepared under the historical cost convention as modified by the use of fair values for certain financial instruments in accordance with the accounting policies set out below. The financial statements have been prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

***Going Concern***

As set out in the strategic report, the directors believe that the company is maintaining a good level of sales and profitability and is well placed to manage its business risks successfully. Accordingly, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

***Turnover***

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

***Tangible fixed assets***

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 4 years
Leasehold land and buildings	7% - 25% on cost
Plant and machinery	6.67% - 33.3% on cost

***Stocks***

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

***Debtors***

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

***Creditors***

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

***Taxation***

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

***Provisions***

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

***Leased assets***

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

***Pensions***

Contributions to defined contribution plans are expensed in the period to which they relate. The assets of the schemes are held separately from those of the company in independently administered funds.

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

**2 Critical accounting estimates and judgements**

Management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not apparent from other sources. The estimates and 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 assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are provisions for warranties and dilapidations. Details of the basis of estimation are disclosed in note 13

**3 Analysis of turnover**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Sale of goods	<u>18,129,311</u>	<u>14,794,867</u>
By geographical market:		
UK	<u>18,129,311</u>	<u>14,794,867</u>

**4 Operating profit**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
This is stated after charging:		
Depreciation of owned fixed assets	387,282	377,649
Operating lease rentals - land and buildings	188,000	188,000
Auditors' remuneration for audit services	12,000	12,000
Carrying amount of stock sold	<u>12,081,232</u>	<u>9,885,883</u>

**5 Directors' emoluments**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Emoluments	<u>950,210</u>	<u>1,005,795</u>
Highest paid director:		
Emoluments	<u>289,548</u>	<u>284,293</u>

**Number of directors to whom retirement benefits accrued:**

	<b>2019</b>	<b>2018</b>
	<b>Number</b>	<b>Number</b>
Defined contribution plans	<u>-</u>	<u>3</u>



**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

<b>6 Staff costs</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,185,956	3,622,689
Social security costs	475,992	406,791
Other pension costs	68,221	50,648
	<u>4,730,169</u>	<u>4,080,128</u>
 <b>Average number of employees during the year</b>	 <b>Number</b>	 <b>Number</b>
Administration	55	50
Distribution	10	8
Manufacturing	37	30
	<u>102</u>	<u>88</u>
 <b>7 Taxation</b>	 <b>2019</b>	 <b>2018</b>
	<b>£</b>	<b>£</b>
<b>Analysis of charge in period</b>		
Current tax:		
UK corporation tax on profits of the period	173,067	109,302
Deferred tax:		
Origination and reversal of timing differences	(5,222)	22,540
Effect of decreased tax rate on opening liability	-	(7,254)
	<u>(5,222)</u>	<u>15,286</u>
 Tax on profit on ordinary activities	 <u>167,845</u>	 <u>124,588</u>

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

**Factors affecting tax charge for period**

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>739,431</u>	<u>554,416</u>
Standard rate of corporation tax in the UK	19%	19%
	<b>£</b>	<b>£</b>
Profit on ordinary activities multiplied by the standard rate of corporation tax	140,492	105,339
Effects of:		
Expenses not deductible for tax purposes	27,353	19,249
Current tax charge for period	<u>167,845</u>	<u>124,588</u>

**Factors that may affect future tax charges**

Future tax charges will be affected by changes in the rate of UK corporation tax and the availability of capital allowances

**8 Tangible fixed assets**

	<b>Freehold land and buildings At cost £</b>	<b>Leasehold land and buildings At cost £</b>	<b>Plant and machinery At cost £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 April 2018	37,158	730,963	2,781,055	3,549,176
Additions	-	83,153	313,854	397,007
Disposals	-	-	(81,925)	(81,925)
At 31 March 2019	<u>37,158</u>	<u>814,116</u>	<u>3,012,984</u>	<u>3,864,258</u>
<b>Depreciation</b>				
At 1 April 2018	17,158	416,338	1,907,548	2,341,044
Charge for the year	-	59,159	328,123	387,282
On disposals	-	-	(65,349)	(65,349)
At 31 March 2019	<u>17,158</u>	<u>475,497</u>	<u>2,170,322</u>	<u>2,662,977</u>
<b>Carrying amount</b>				
At 31 March 2019	<u>20,000</u>	<u>338,619</u>	<u>842,662</u>	<u>1,201,281</u>
At 31 March 2018	<u>20,000</u>	<u>314,625</u>	<u>873,507</u>	<u>1,208,132</u>

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

<b>9 Stocks</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>

Goods for resale and finished goods	<u>793,038</u>	<u>680,585</u>
-------------------------------------	----------------	----------------

<b>10 Debtors</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>

Trade debtors	4,755,448	2,950,217
Other debtors	706,114	1,063,648
Prepayments and accrued income	<u>164,380</u>	<u>202,883</u>
	<u>5,625,942</u>	<u>4,216,748</u>

Other debtors now includes provision for supplier rebates which were previously netted off against trade creditors as the directors believe that this gives a better understanding to the accounts. The amount for 2018 was originally stated as £539,586, but has been increased by £524,062 to reflect this change.

Amounts due after more than one year included in:  
Other debtors

-	<u>51,491</u>
---	---------------

<b>11 Creditors: amounts falling due within one year</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>

Trade creditors	3,085,301	2,165,820
Corporation tax	173,067	109,302
Other taxes and social security costs	648,620	285,787
Other creditors	2,511,359	1,939,096
Accruals and deferred income	342,685	120,510
Proposed dividend	<u>560,000</u>	<u>320,000</u>
	<u>7,321,032</u>	<u>4,940,515</u>

As per note 14 above supplier rebates have been grossed up and the comparative figure amended accordingly.

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

<b>12 Deferred taxation</b>	<b>2019 £</b>	<b>2018 £</b>
Accelerated capital allowances	<u>155,151</u>	<u>160,373</u>
	<b>2019 £</b>	<b>2018 £</b>
At 1 April	160,373	145,087
(Credited)/charged to the profit and loss account	(5,222)	15,286
At 31 March	<u>155,151</u>	<u>160,373</u>

**13 Provisions for liabilities**

	<b>Warranty £</b>	<b>Dilapidation £</b>	<b>Total £</b>
At 1 April 2018	23,039	106,098	129,137
Additional provisions made during the period	41,333		41,333
Amounts used	(22,189)		(22,189)
Amounts reversed unused	(7,343)		(7,343)
At 31 March 2019	<u>34,840</u>	<u>106,098</u>	<u>140,938</u>

The warranty provision is recognised for expected warranty claims on products sold within the appropriate guarantee period. The method used by the company is based on the best estimate method and conforms with the requirements contained within FRS 102, for provisions.

The provision for dilapidations has been recognised for the expected costs to be incurred as a result of the occupancy of the lease premises. The company employed the services of qualified surveyor to carry out a dilapidations survey in September 2012. The results of the survey have been incorporated into the final provision at 31 March 2019 and 31 March 2018. The method used by the company is based on costs advised by the surveyor and conforms with the requirements of FRS 102, for provisions.

<b>14 Share capital</b>	<b>Nominal value</b>	<b>2019 Number</b>	<b>2019 £</b>	<b>2018 £</b>
Allotted, called up and fully paid:				
A Ordinary shares	£1 each	30,000	30,000	30,000
B Ordinary shares	£1 each	30,000	30,000	30,000
			<u>60,000</u>	<u>60,000</u>

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

<b>15 Profit and loss account</b>	<b>2019 £</b>	<b>2018 £</b>
At 1 April	1,765,105	1,655,277
Profit for the financial year	571,586	429,828
Dividends	(520,000)	(320,000)
At 31 March	<u>1,816,691</u>	<u>1,765,105</u>

<b>16 Dividends</b>	<b>2019 £</b>	<b>2018 £</b>
Dividends on ordinary shares (note 15)	<u>520,000</u>	<u>320,000</u>

<b>17 Financial Instruments</b>	<b>2019 £</b>	<b>2018 £</b>
Financial instruments that are debt instruments measured at amortised cost:		
Trade debtors	4,755,448	2,950,217
Other debtors	706,114	1,063,648
Cash at bank and in hand	1,873,551	949,665
Financial liabilities measured at amortised cost:		
Trade creditors	3,085,301	2,165,820

<b>18 Capital commitments</b>	<b>2019 £</b>	<b>2018 £</b>
Amounts contracted for but not provided in the accounts	<u>136,776</u>	<u>139,999</u>

**19 Other financial commitments**

Total future minimum lease payments under non-cancellable operating leases:

	<b>Land and buildings 2019 £</b>	<b>Land and buildings 2018 £</b>	<b>Other 2019 £</b>	<b>Other 2018 £</b>
Falling due:				
within two to five years	<u>564,000</u>	<u>752,000</u>	<u>-</u>	<u>-</u>

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

**20 Contingent liabilities**

The company's bank overdraft facility is secured by a fixed and floating charge over all the property or undertaking of the company

**21 Related party transactions**

The directors of the company are the sole members of Midland Building Products Limited Self Administered Pension Scheme. The contributions to the scheme during the year amounted to £Nil (2018 £Nil). The company occupies premises owned by the pension scheme and rent charged to the profit and loss account amounting to £193,715 (2018 £188,000). The directors are also joint owners of properties which the company occupies. Rental for these properties charged to the profit and loss account was £202,710 (2018 £172,710). The rental in all instances was charged at market value.

The directors of the company are also directors of the following companies and together with their families they control these companies by virtue of their family shareholdings.

Transactions with related parties which were all at market value are as follows:

Year 2018	Sales £	Purchases £	Debtors £	Creditors £
Manchester Doors & Cubicles Ltd	378,581	5,700	51,052	714
Specialist Joinery Products Ltd	171,709	65	37,760	-
ZMR Ltd	309,939	1,874,200	190,545	671,017
Southern Doors & Cubicles Ltd	1,975,469	7,075	667,246	-
UK Doorsets Ltd	704,339	2,029,867	419,061	202,643
Leeds Doors & Cubicles Ltd	800,018	5,695	128,470	913
Joinery Specialists Ltd	191,664	144,381	33,689	3,472
Fire Glass UK Ltd	586,066	648,701	511,796	50,914
Fire & Acoustic Seals Ltd	123,273	378,203	133,251	58,214
Glass Merchants UK Ltd	28,645	-	7,548	64,418

Year 2018	Sales £	Purchases £	Debtors £	Creditors £
Manchester Doors & Cubicles Ltd	627,613	50,483	110,772	35,480
Specialist Joinery Products Ltd	213,898	6,958	28,754	-
ZMR Ltd	321,627	1,635,113	159,668	288,096
Southern Doors & Cubicles Ltd	506,323	87,489	85,687	57,638
UK Doorsets Ltd	536,113	1,673,584	301,239	273,783
Leeds Doors & Cubicles Ltd	528,686	1,435	73,179	163
Joinery Specialists Ltd	131,452	631	27,273	65
Fire Glass UK Ltd	499,335	701,148	333,569	68,302
Fire & Acoustic Seals Ltd	70,161	230,800	117,975	55,482
Glass Merchants UK Ltd	90,624	-	48,422	-

During the previous financial year the company advanced a loan of £400,000 to Fire Glass UK Ltd with an annual interest rate of 5.8%. The balance outstanding at 31st March 2019 was £nil (2018 £384,269).

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

During the previous financial year the company advanced a loan of £100,000 to Glass Merchants UK Ltd with an annual interest rate of 5.8%. The balance outstanding at 31st March 2019 was £51,491 (2018 £100,000). This loan is repayable over 2 years.

<b>Carrying amount due to directors</b>	<b>2019 £</b>	<b>2018 £</b>
<b>M T Finney</b>		
Director and shareholder		
Loans advanced less amounts withdrawn		
Amount due to M T Finney	(344)	(76,975)
<b>P J McGuire</b>		
Director and shareholder		
Loans advanced less amounts withdrawn		
Amount due to P J McGuire	(20,246)	(95,837)
<b>K F Crane</b>		
Director and shareholder		
Loans advanced less amounts withdrawn		
Amount due to K F Crane	-	(25,013)
<b>J J Vann</b>		
Director and shareholder		
Loans advanced less amounts withdrawn		
Amount due to J J Vann	-	(46,722)
	<b>2019 £</b>	<b>2018 £</b>
Dividends payable to directors	435,000	320,000
<b>Key management personnel compensation</b>	<b>2019 £</b>	<b>2018 £</b>
Short-term benefits	1,634,195	1,514,753

**22 Controlling party**

The company was controlled throughout the whole of the current year and previous financial period by the board of directors who between them own the entire ordinary class A voting shares.

**23 Presentation currency**

The financial statements are presented in Sterling.

**24 Legal form of entity and country of incorporation**

Midland Building Products Limited is a private company limited by shares and incorporated in England.

**Midland Building Products Limited**  
**Notes to the Accounts**  
**for the year ended 31 March 2019**

**25 Principal place of business**

The address of the company's principal place of business is:

Units 6-11 Spartan Industrial Centr  
Brickhouse Lane  
West Bromwich  
West Midlands  
B70 0DH

The address of the company's registered office is:

Unit 10 Spartan Industrial Centre  
Brickhouse Lane  
West Bromwich  
West Midlands  
B70 0DH