

**Financial Statements**  
**for the Year Ended 31 December 2022**  
**for**  
**Network 2 Supplies Limited**

**Contents of the Financial Statements**  
**for the Year Ended 31 December 2022**

	<b>Page</b>
<b>Company Information</b>	1
<b>Balance Sheet</b>	2 to 3
<b>Notes to the Financial Statements</b>	4 to 10

**Network 2 Supplies Limited**  
**Company Information**  
**for the Year Ended 31 December 2022**

**DIRECTORS:** Mr J A Gomarsall  
Mr A C T Gomarsall  
Mrs K Sparkes  
Mr S Morris  
Mr R Bolton  
Mr N J Razey  
Mr S Taylor

**SECRETARY:** Mrs K Sparkes

**REGISTERED OFFICE:** Eldo House  
Kempson Way  
Suffolk Business Park  
Bury St Edmunds  
Suffolk  
IP32 7AR

**REGISTERED NUMBER:** 04617783 (England and Wales)

**SENIOR STATUTORY AUDITOR:** J Knights ACA BSc

**AUDITORS:** Knights Lowe Limited  
Eldo House  
Kempson Way  
Suffolk Business Park  
Bury St Edmunds  
Suffolk  
IP32 7AR

**BANKERS:** National Westminster Bank plc  
7 Cornhill  
Bury St Edmunds  
Suffolk  
IP33 1BQ

**Network 2 Supplies Limited (Registered number: 04617783)**

**Balance Sheet**  
**31 December 2022**

	Notes	2022 £	£	2021 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		<b>1,094,000</b>		650,570
<b>CURRENT ASSETS</b>					
Stocks		<b>170,978</b>		78,660	
Debtors	5	<b>1,459,927</b>		1,257,080	
Cash at bank and in hand		<b>470,530</b>		<b>1,319,320</b>	
		<b>2,101,435</b>		<b>2,655,060</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<b>1,465,659</b>		<b>1,920,917</b>	
<b>NET CURRENT ASSETS</b>			<b>635,776</b>		734,143
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,729,776</b>		<b>1,384,713</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	7		<b>(210,019)</b>		(185,457)
<b>PROVISIONS FOR LIABILITIES</b>	10		<b>(197,221)</b>		(158,379)
<b>NET ASSETS</b>			<b>1,322,536</b>		<b>1,040,877</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	11		<b>10</b>		10
Retained earnings			<b>1,322,526</b>		<b>1,040,867</b>
<b>SHAREHOLDERS' FUNDS</b>			<b>1,322,536</b>		<b>1,040,877</b>

The notes on pages 4 to 10 form part of these financial statements

**Network 2 Supplies Limited (Registered number: 04617783)**

**Balance Sheet - continued**  
**31 December 2022**

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

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

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

Mrs K Sparkes - Director

Mr S Morris - Director

Mr R Bolton - Director

The notes on pages 4 to 10 form part of these financial statements

**Notes to the Financial Statements**  
**for the Year Ended 31 December 2022**

**1. STATUTORY INFORMATION**

Network 2 Supplies Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

**2. ACCOUNTING POLICIES**

**Basis of 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Turnover**

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

Turnover represents the sales value of work completed at the balance sheet date excluding VAT. The Company's contractual obligations are performed over time therefore revenue is recognised as the contract activity progresses to reflect the Company's partial performance of its contractual obligations. Revenue is calculated by reference to the value of work performed.

**Tangible fixed assets**

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

Leasehold property costs	- 10% on cost
Plant and machinery	- 10 - 25% on reducing balance
Equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

2. **ACCOUNTING POLICIES - continued**

**Stocks**

There are three different types of stock the company hold valued as follows:

**Scrap Materials**

This is weighed at year-end and a conservative scrap material price is used based on the current London Metal Exchange prices.

**Resale Stock**

This is second hand computer equipment for resale. The second hand computer equipment market can have variable prices due to demand and management use their judgement to set an estimated sales prices based on market conditions as at the year-end date. Then 25% of this is taken as the deemed purchase price for stock which is generally obtained from site clearances. This year due to rebates due to site clearance customers upon the sale of resale items collected it was deemed correct to lower this percentage. In 2020 this was set at 60% of the estimated sales price.

Any purchased stock is shown at the lower of cost and net realisable value.

Any items which become obsolete due to advances in technology are written down on a quarterly basis.

**Work In Progress**

This is resale stock from site clearances yet to pass testing to ensure it is of an acceptable standard for resale. Management will still use their judgement to set an estimated sales price based on market conditions as at the year-end date. Then 25% of this is taken as the deemed purchase price.

Stock which passes testing will go into resale stock and the deemed purchase price increased to 60% of estimated sales price. Stock which is not of an acceptable standard for resale will be scrapped for minimal value.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

2. **ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

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

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

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

**Pension costs and other post-retirement benefits**

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

**Government grants**

Government grants in respect of capital expenditure are credited to the profit and loss account over the estimated useful life of the relevant fixed assets. The grants shown in the balance sheet represent the total grants receivable to date less the amount so far credited to the profit and loss account. The grants are conditional and in certain circumstances repayment of all or part of the grant may be required.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 106 (2021 - 88).

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 January 2022	1,453,201
Additions	699,345
Disposals	(123,995)
At 31 December 2022	<u>2,028,551</u>
<b>DEPRECIATION</b>	
At 1 January 2022	802,631
Charge for year	210,164
Eliminated on disposal	(78,244)
At 31 December 2022	<u>934,551</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>1,094,000</u>
At 31 December 2021	<u>650,570</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

4. **TANGIBLE FIXED ASSETS - continued**

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

	Plant and machinery etc £
<b>COST</b>	
At 1 January 2022	364,667
Additions	352,572
Transfer to ownership	<u>(108,390)</u>
At 31 December 2022	<u>608,849</u>
<b>DEPRECIATION</b>	
At 1 January 2022	110,762
Charge for year	87,482
Transfer to ownership	<u>(56,443)</u>
At 31 December 2022	<u>141,801</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>467,048</u>
At 31 December 2021	<u>253,905</u>

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

	2022 £	2021 £
Trade debtors	582,431	523,407
Amounts owed by connected company	378,114	377,789
Other debtors	<u>499,382</u>	355,884
	<u>1,459,927</u>	<u>1,257,080</u>

Trade debtors include £63,289 due from a group company.

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

	2022 £	2021 £
Hire purchase contracts (see note 8)	169,935	90,637
Payments on account	89,418	120,309
Trade creditors	521,748	497,231
Taxation and social security	164,830	424,577
Other creditors	<u>519,728</u>	788,163
	<u>1,465,659</u>	<u>1,920,917</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

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

	<b>2022</b>	2021
	£	£
Hire purchase contracts (see note 8)	<b>210,019</b>	103,790
Other creditors	<u>-</u>	<u>81,667</u>
	<b><u>210,019</u></b>	<b><u>185,457</u></b>

**8. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2022</b>	2021
	£	£
Net obligations repayable:		
Within one year	<b>169,935</b>	90,637
Between one and five years	<b><u>210,019</u></b>	<u>103,790</u>
	<b><u>379,954</u></b>	<b><u>194,427</u></b>
	<b>Non-cancellable</b>	<b>operating</b>
		<b>leases</b>
	<b>2022</b>	2021
	£	£
Within one year	<b>702,779</b>	446,166
Between one and five years	<b>1,997,201</b>	1,414,772
In more than five years	<u>-</u>	<u>150,000</u>
	<b><u>2,699,980</u></b>	<b><u>2,010,938</u></b>

**9. SECURED DEBTS**

The following secured debts are included within creditors:

	<b>2022</b>	2021
	£	£
Hire purchase contracts	<b>379,954</b>	194,427
Other creditors	<b><u>14,122</u></b>	<u>11,499</u>
	<b><u>394,076</u></b>	<b><u>205,926</u></b>

The hire purchase contracts and finance leases are secured on the underlying assets.

Other creditors relates to credit card balances secured by a fixed and floating charge over the assets and trade of the company.

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022**

**10. PROVISIONS FOR LIABILITIES**

	<b>2022</b>	2021
	£	£
Deferred tax		
Tax losses carried forward	<b>(62,592)</b>	-
Other timing differences	<b>(364)</b>	(432)
Accelerated capital allowances	<b>260,177</b>	<u>158,811</u>
	<b><u>197,221</u></b>	<u>158,379</u>
		<b>Deferred tax</b>
		£
Balance at 1 January 2022		<b>158,379</b>
Accelerated capital allowances		<b>101,366</b>
Other timing differences		<b>68</b>
Losses		<b>(62,592)</b>
Balance at 31 December 2022		<b><u>197,221</u></b>

**11. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>2022</b>	2021
Number:	Class:	Nominal value:	£	£
10	Ordinary	£1	<b><u>10</u></b>	<u>10</u>

**12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

J Knights ACA BSc (Senior Statutory Auditor)  
for and on behalf of Knights Lowe Limited

**13. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 December 2022 and 31 December 2021:

	<b>2022</b>	2021
	£	£
<b>Mr J A Gomarsall</b>		
Balance outstanding at start of year	-	2,512
Amounts advanced	<b>1,428</b>	5,936
Amounts repaid	-	(8,448)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<b><u>1,428</u></b>	<u>-</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

13. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

**Mr A C T Gomarsall**

Balance outstanding at start of year	-	10,008
Amounts advanced	<b>267</b>	2,003
Amounts repaid	-	(12,011)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<b><u>267</u></b>	<u>-</u>

These loans are amounts drawn to cover personal expenditure by the directors. They are repayable on demand. Where a loan has exceeded £10,000 during the year, interest has been charged at HMRC's agreed rate.

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.