

Registration number: 01767386

# Howden Joinery Corporate Services Limited

Annual Report and Financial Statements

for the Period from 26 December 2021 to 24 December 2022

# Howden Joinery Corporate Services Limited

## Contents

Strategic Report	1 to 2
Directors' Report	3 to 4
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6 to 9
Income Statement	10
Statement of Comprehensive Income	11
Statement of Financial Position	12 to 13
Statement of Changes in Equity	14 to 15
Notes to the Financial Statements	16 to 45

## **Howden Joinery Corporate Services Limited**

### **Strategic Report for the Period from 26 December 2021 to 24 December 2022**

The directors present their strategic report for the period from 26 December 2021 to 24 December 2022.

The Company's principal activity is described in the Directors' Report, which is located immediately below this Strategic Report. The Company's financial Key Performance Indicators are as shown in the Profit and Loss Account and Balance Sheet. We do not consider there to be any non-financial Key Performance Indicators relevant to the Company, other than those listed in the Group annual report, as detailed in the paragraph immediately below.

The Group manages its operations on a Group basis and therefore prepares a consolidated group annual report and accounts, including a consolidated strategic report. Pursuant to Section 414(A) (4) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, which provides that a group strategic report may give greater emphasis to the matters that are significant to the undertakings included in the consolidation when taken as a whole, the following information in relation to the Company can be found in the Group annual report on the pages listed:

- Fair review of the business (pgs 2 - 35)
- Description of the principal risks and uncertainties facing the Group and its subsidiary undertakings (pgs 36 - 45)
- Financial and non-financial KPIs (pgs 28 - 29)
- Future developments (pgs 18, 26, 34)
- Information about environmental matters, social, community and human rights issues (pgs 46-70)
- Description of culture, purpose, market, business model and strategy (pgs 8-15)
- Information in relation to Group employees, including gender statistics, employee involvement and Group policy on the employment of disabled persons (pgs 105 - 106, 147)

This report is available as part of the Group's Annual Report which is available at <http://www.howdenjoinerygroupplc.com/> and which does not form part of this report.

## Howden Joinery Corporate Services Limited

### Strategic Report for the Period from 26 December 2021 to 24 December 2022

#### Section 172 statement

Section 172 of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this section 172 requires a director to have regard, amongst other matters, to the:

- likely consequences of any decisions in the long-term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- desirability of the company maintaining a reputation for high standards of business conduct, and
- need to act fairly as between members of the company.

In discharging their section 172 duties the directors of the Company have regard to the factors set out above. They also have regard to other factors which they consider relevant to the decision being made. The directors acknowledge that every decision they make will not necessarily result in a positive outcome for all of the Company's stakeholders. By considering the Company's purpose, vision and values together with its strategic priorities and having a process in place for decision-making, the directors do, however, aim to make sure that their decisions are consistent and predictable.

As is normal for large companies, the directors delegate authority for day-to-day management of the Company to executives engaged in setting, approving and overseeing execution of the business strategy and related policies of the Group. How the Group's key stakeholders have been identified and interests taken into consideration, in accordance with the directors' section 172 duties of the Companies Act 2006 and the 2018 UK Corporate Governance Code, is noted in detail in Howden Joinery Group Plc's Annual Report and Accounts for the year ended 24 December 2022

([www.howdenjoinerygroupplc.com/investors/financial-reports/annual-reports](http://www.howdenjoinerygroupplc.com/investors/financial-reports/annual-reports)). As the Company forms part of the Group, the framework adopted by the ultimate parent has been disseminated and applied by the subsidiary Company.

Approved by the board on 7 August 2023 and signed on its behalf by:



Forbes McNaughton  
Company secretary

## Howden Joinery Corporate Services Limited

### Directors' Report for the Period from 26 December 2021 to 24 December 2022

The directors present their annual report and the audited financial statements for the period from 26 December 2021 to 24 December 2022.

#### Directors

The directors who held office during the period, were as follows:

Theresa Keating

Paul Hayes

#### Dividends

No dividend was proposed or paid during the current or prior period.

#### Financial instruments

#### *Objectives and policies, price risk, credit risk, liquidity risk and cash flow risk*

These are managed on a Group basis. Further information can be found on pages 34-35 of the Howden Joinery Group Plc 2022 Annual Report and accounts, which is available at <https://www.howdenjoinerygroupplc.com/investors/financial-reports/annual-reports>

#### Political donations

The Company did not make any political donations in the current or prior period.

#### Charitable donations

During the period the company made charitable donations of £258,742. The individual donations are shown below:

	£
QUEST	100,000
I Can I Am	71,999
Ukraine Appeal	60,250
Other Charitable donations under £10k	<u>26,493</u>

#### Going concern

After making enquiries and taking into consideration the profitability and financial position of the Company, the directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

This judgement is based on a written commitment of financial support from its ultimate parent company, Howden Joinery Group Plc. In assessing the quality of the commitment of support from its ultimate parent company, the directors noted the parent company's assessment of the Howden Joinery Group's going concern in its 2022 Consolidated Annual Report, dated 6 March 2023, which includes a description of how the parent company has concluded that it was appropriate for the consolidated Group results to be prepared on a going concern basis.

The directors continue to adopt the going concern basis in preparing the financial statements.

#### Disclosure of information to the auditors

Each Director has taken steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### Principal activity

The principal activity of the company is providing and managing employees, professional fees and IT services for other Group companies. There has been no change in the Company's principal activities during the period.

## Howden Joinery Corporate Services Limited

### Directors' Report for the Period from 26 December 2021 to 24 December 2022

#### Engagement with suppliers, customers and other relationships

The Company has limited direct dealings with external business partners as these activities are undertaken at Group level. Details of the Howden Joinery Group's business relationships at Group level are set out in the Annual Report and Accounts for Howden Joinery Group Plc for the year ended 24 December 2022 ([www.howdenjoinerygroupplc.com/investors/financial-reports/annual-reports](http://www.howdenjoinerygroupplc.com/investors/financial-reports/annual-reports)).

Approved by the board on 7 August 2023 and signed on its behalf by:



Forbes McNaughton  
Company secretary

## **Howden Joinery Corporate Services Limited**

### **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), including FRS 101 'Reduced Disclosure Framework'. 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 apply them consistently;
  - make judgements and accounting 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; and
  - assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

## **Howden Joinery Corporate Services Limited**

### **Independent Auditor's Report to the Members of Howden Joinery Corporate Services Limited**

#### **Opinion**

We have audited the financial statements of Howden Joinery Corporate Services Limited (the 'Company') for the period from 26 December 2021 to 24 December 2022, which comprise the Income Statement, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, and Notes to the Financial Statements, and related notes, including the accounting policies in note 2.

In our opinion the financial statements of Howden Joinery Corporate Services Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 24 December 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with UK Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.



## Howden Joinery Corporate Services Limited

### Independent Auditor's Report to the Members of Howden Joinery Corporate Services Limited

#### **Fraud and breaches of laws and regulations – ability to detect**

##### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud (“fraud risks”) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, internal audit and inspection of policy documentation as to the Company’s high-level policies and procedures to prevent and detect fraud, including the internal audit function, and the Company’s channel for “whistleblowing”, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, audit committee and remuneration committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because of the nature, lack of complexity and limited opportunity and ability of management to manipulate the results to a material degree despite the potential for incentive to do so.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by users outside of their expected business area and those posted to unusual accounts.

##### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

## Howden Joinery Corporate Services Limited

### Independent Auditor's Report to the Members of Howden Joinery Corporate Services Limited

*Context of the ability of the audit to detect fraud or breaches of law or regulation.*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

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.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

## Howden Joinery Corporate Services Limited

### Independent Auditor's Report to the Members of Howden Joinery Corporate Services Limited

#### Directors' responsibilities

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.



.....  
Robert Brent (Senior Statutory Auditor)  
For and on behalf of KPMG LLP, Statutory Auditor  
15 Canada Square  
London  
E14 5GL  
United Kingdom  
9 August 2023

## Howden Joinery Corporate Services Limited

### Income Statement for the Period from 26 December 2021 to 24 December 2022

			(As restated - see note 25)
		52 weeks to 24 December 2022	52 weeks to 25 December 2021
	Note	£ 000	£ 000
Turnover	4	53,005	52,006
Administrative expenses		<u>(95,945)</u>	<u>(62,158)</u>
Operating loss	5	(42,940)	(10,152)
Interest payable and similar expenses	6	<u>2,692</u>	<u>(405)</u>
Loss before tax		(40,248)	(10,557)
Tax on loss	10	<u>644</u>	<u>1,980</u>
Loss for the period		<u><u>(39,604)</u></u>	<u><u>(8,577)</u></u>

The above results were derived from continuing operations.

The notes on pages 16 to 45 form an integral part of these financial statements.

**Howden Joinery Corporate Services Limited**

**Statement of Comprehensive Income for the Period from 26 December 2021 to 24  
December 2022**

		<b>26 December 2021 to 24 December 2022</b>	<b>(As restated - see note 25) 27 December 2020 to 25 December 2021</b>
	<b>Note</b>	<b>£ 000</b>	<b>£ 000</b>
Loss for the period		(39,604)	(8,577)
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Actuarial gain/(loss) on pension scheme, and associated deferred tax	23, 10	<u>(137,262)</u>	<u>134,484</u>
Total comprehensive income for the period		<u><u>(176,866)</u></u>	<u><u>125,907</u></u>

The notes on pages 16 to 45 form an integral part of these financial statements.

## Howden Joinery Corporate Services Limited

(Registration number: 01767386)

### Statement of Financial Position as at 24 December 2022

		(As restated - see note 25)	
		24 December	25 December
		2022	2021
		£ 000	£ 000
	Note		
<b>Fixed assets</b>			
Intangible assets	11	3,990	3,663
Property, plant and equipment	12	6,509	6,453
Right of use assets	19	199	248
Investment in shares of ultimate parent company	13	76,520	75,054
		<u>87,218</u>	<u>85,418</u>
<b>Long term asset</b>			
Defined benefit pension asset		-	140,800
<b>Current assets</b>			
Debtors	14	93,998	1,170,729
Deferred tax asset	10	15,324	3,273
Cash at bank and in hand	15	70	207
		<u>109,392</u>	<u>1,174,209</u>
<b>Creditors: Amounts falling due within one year</b>			
Trade and other payables	17	(448,240)	(1,483,499)
Current portion of long term lease liabilities	20	(80)	(153)
		<u>(448,320)</u>	<u>(1,483,652)</u>
Creditors: Amounts falling due within one year		<u>(448,320)</u>	<u>(1,483,652)</u>
Net current liabilities		<u>(338,928)</u>	<u>(309,443)</u>
Total assets less current liabilities		<u>(251,710)</u>	<u>(83,225)</u>
<b>Creditors: Amounts falling due after more than one year</b>			
Long term lease liabilities	20	(127)	(87)
<b>Provisions</b>			
Defined benefit pension liability	23	(41,500)	-
Deferred tax liabilities	10	-	(35,202)
Provisions	22	(750)	(750)
	23	<u>(42,250)</u>	<u>(35,952)</u>
Net liabilities		<u>(294,087)</u>	<u>(119,264)</u>
<b>Capital and reserves</b>			
Called up share capital	18	12,358	12,358
Capital contribution reserve		280,315	280,315
Share-based payments reserve		39,467	37,125
Retained earnings		<u>(626,227)</u>	<u>(449,062)</u>
Shareholders' deficit		<u>(294,087)</u>	<u>(119,264)</u>


The notes on pages 16 to 45 form an integral part of these financial statements.

**Howden Joinery Corporate Services Limited**

**(Registration number: 01767386)**

**Statement of Financial Position as at 24 December 2022**

Approved by the Board on 7 August 2023 and signed on its behalf by:

.....Theresa Keating, Director

The notes on pages 16 to 45 form an integral part of these financial statements.

## Howden Joinery Corporate Services Limited

### Statement of Changes in Equity for the Period from 26 December 2021 to 24 December 2022

	Share capital £ 000	ESOP Reserve £ 000	Capital redemption reserve £ 000	Retained earnings £ 000	Total £ 000
At 26 December 2021, restated - note 25	12,358	37,125	280,315	(449,062)	(119,264)
Loss for the period	-	-	-	(39,604)	(39,604)
Other comprehensive income	-	-	-	(137,262)	(137,262)
Total comprehensive income	-	-	-	(176,866)	(176,866)
Current tax on share schemes	-	-	-	193	193
Deferred tax on share schemes	-	-	-	(492)	(492)
Share based payment transactions	-	2,342	-	-	2,342
At 24 December 2022	12,358	39,467	280,315	(626,227)	(294,087)
		<b>Capital</b>			
	<b>Share capital</b> £ 000	<b>ESOP reserve</b> £ 000	<b>ESOP reserve</b> £ 000	<b>Retained</b> <b>earnings</b> £ 000	<b>Total</b> <b>£ 000</b>
At 27 December 2020, as previously reported - note 25	12,358	280,315	30,757	(548,435)	(225,005)
Effect of restatement - see note 25	-	-	-	(27,078)	(27,078)
Adjusted balances at 27 December 2020	12,358	280,315	30,757	(575,513)	(252,083)
Loss for the period restated - note 25	-	-	-	(8,577)	(8,577)
Other comprehensive income	-	-	-	134,484	134,484
Total comprehensive income restated - note 25	-	-	-	125,907	125,907
Deferred tax on share schemes	-	-	-	544	544
Share based payment transactions	-	-	6,368	-	6,368
At 25 December 2021 restated - note 25	12,358	280,315	37,125	(449,062)	(119,264)

The notes on pages 16 to 45 form an integral part of these financial statements.



**Howden Joinery Corporate Services Limited**

**Statement of Changes in Equity for the Period from 26 December 2021 to 24 December 2022**

"Share based payment transactions" is the net of the share based payment charge for the year and any cash received from employees on exercising share options.

The notes on pages 16 to 45 form an integral part of these financial statements.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 1 General information

The company is a private company limited by share capital, incorporated and domiciled in England.

The address of its registered office is:

40 Portman Square

London

W1H 6LT

England

These financial statements were authorised for issue by the board on 7 August 2023.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

##### Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. They are prepared on the historical cost basis.

##### Summary of disclosure exemptions

In these financial statements, the company has taken advantage of the disclosure exemptions available under FRS 101 in relation to share-based payment, business combinations, non-current assets held for sale, financial instruments, fair value measurements, capital management, revenue from contracts with customers, presentation of comparative period reconciliations for share capital, tangible fixed assets, intangible assets and investment property, presentation of a cash-flow statement, the effects of new standards not yet effective, impairment of assets and disclosures in respect of the compensation of key management personnel and of transactions with a management entity that provides key management personnel services to the company.

##### Going concern

The financial statements have been prepared on a going concern basis. No material uncertainties were identified. Further information about the process and basis of the going concern assessment can be found in the "Going concern" section of the Directors' Report, which details how the assessment of going concern relates to continued support from the ultimate parent company and how the Directors have assessed the quality of the commitment of that support.

##### Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 26 December 2021 have had a material effect on the financial statements.

##### Revenue recognition

###### *Recognition*

The Company earns revenue from the provision of services relating to providing employees, professional services and IT services for other Group companies. This revenue is recognised in the accounting period when the services are rendered at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligations to customers.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 2 Accounting policies (continued)

The principles in IFRS are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income or in equity is also recognised directly in other comprehensive income or equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than assets under construction - which are not depreciated - over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant, machinery and vehicles	4 - 20 years
Leasehold property	the period of the lease, or the individual asset's life if shorter
Fixtures and fittings	10 years

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 2 Accounting policies (continued)

##### Intangible assets

Our intangible assets represent computer software. Where computer software is not an integral part of a related item of computer hardware, the software is classified as an intangible asset. The capitalised costs of software for internal use include external direct costs of materials and services consumed in developing or obtaining the software and payroll and payroll-related costs for employees who are directly associated with and who devote substantial time to the project. Capitalisation of these costs ceases no later than the point at which the software is substantially complete and ready for its intended internal use.

These costs are amortised over their expected useful lives, which are reviewed annually. The expected useful lives range between three and seven years, depending on the nature of the software.

When the Group incurs configuration and customisation costs as part of a cloud-based software-as-a-service agreement, and where this does not result in the creation of an asset which the Group has control over, then these costs are expensed.

##### Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### Amounts payable and receivable to and from fellow Group subsidiaries

Howden Joinery Group plc has ultimate control of 100% of both this Company and a number of other wholly-owned subsidiaries (together, called "the Howden Joinery Group"). Debtors and creditors between this Company, Howden Joinery Group plc and any other Howden Joinery Group company do not bear interest and are repayable on demand.

##### Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

##### Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity's ultimate parent company. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using a binomial option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 2 Accounting policies (continued)

##### Intangible assets

Our intangible assets represent computer software. Where computer software is not an integral part of a related item of computer hardware, the software is classified as an intangible asset. The capitalised costs of software for internal use include external direct costs of materials and services consumed in developing or obtaining the software and payroll and payroll-related costs for employees who are directly associated with and who devote substantial time to the project. Capitalisation of these costs ceases no later than the point at which the software is substantially complete and ready for its intended internal use.

These costs are amortised over their expected useful lives, which are reviewed annually. The expected useful lives range between three and seven years, depending on the nature of the software.

When the Group incurs configuration and customisation costs as part of a cloud-based software-as-a-service agreement, and where this does not result in the creation of an asset which the Group has control over, then these costs are expensed.

##### Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### Amounts payable and receivable to and from fellow Group subsidiaries

Howden Joinery Group plc has ultimate control of 100% of both this Company and a number of other wholly-owned subsidiaries (together, called "the Howden Joinery Group"). Debtors and creditors between this Company, Howden Joinery Group plc and any other Howden Joinery Group company do not bear interest and are repayable on demand.

##### Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

##### Share based payments

The company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using a binomial option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 2 Accounting policies (continued)

##### Investments

Investments represent shares in the ultimate parent company, Howden Joinery Group Plc, which are held by employee share ownership trusts. The investments are initially recorded at cost, including purchase expenses.

##### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### Leases

###### *Definition*

A lease is a contract, or a part of a contract, that conveys the right to use an asset or a physically distinct part of an asset ("the underlying asset") for a period of time in exchange for consideration. Further, the contract must convey the right to the company to control the asset or a physically distinct portion thereof. A contract is deemed to convey the right to control the underlying asset if, throughout the period of use, the company has the right to:

- Obtain substantially all the economic benefits from the use of the underlying asset, and;
- Direct the use of the underlying asset (e.g. direct how and for what purpose the asset is used)

###### *Initial recognition and measurement*

The company initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term.

The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate.

The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the company's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 2 Accounting policies (continued)

##### *Subsequent measurement*

After the commencement date, the company measures the lease liability by:

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are [presented separately as non-operating /included in finance cost] in the income statement, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.

The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy in impairment.

##### *Lease modifications*

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.

The modification is accounted for as a separate lease if both:

- (a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The company then accounts for these in line with the accounting policy for new leases.

If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.

For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 2 Accounting policies (continued)

##### *Short term and low value leases*

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

Lease payments on short term leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short term lease payments are included in operating expenses in the income statements.

The company recognises low value leases as leases.

##### *Sub leases*

If an underlying asset is re-leased by the company to a third party and the company retains the primary obligation under the original lease, the transaction is deemed to be a sublease. The company continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as a lessor (intermediate lessor). When the head lease is a short term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria applicable to Lessor Accounting in IFRS 16 by reference to the right-of-use asset in the head lease (and not the underlying asset of the head lease).

After classification lessor accounting is applied to the sublease.

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### **Financial instruments**

###### *Initial recognition*

Financial assets and financial liabilities comprise all assets and liabilities reflected in the balance sheet, although excluding Tangible assets, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The company recognises financial assets and financial liabilities in the statement of financial position when, and only when, the company becomes party to the contractual provisions of the financial instrument.

Financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost.

###### **Defined benefit pension obligation**

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The asset or liability recognised in the statement of financial position in respect of defined benefit pension plans is the difference between the present value of the defined benefit obligation at the reporting date and the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in profit or loss.



## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 3 Significant accounting judgements and major sources of estimation uncertainty

The Company makes some judgements when applying its accounting policies which can have a significant effect on the amounts recognised in these financial statements. The Company also makes assumptions concerning the future and other major sources of estimation uncertainty that can result in a material adjustment to the carrying amounts of assets and liabilities within the next financial period. We discuss these below.

##### Actuarial assumptions

The Company operates a defined benefit scheme for its employees. There is significant judgement involved in selecting appropriate measurement bases for the actuarial assumptions used to measure the pension deficit. There is also estimation uncertainty which means that reasonable alternative assumptions could have led to measurement at a materially different amount, or that a reasonably possible change in an assumption during the next period could lead to a material change in the valuation.

The key assumptions within this calculation are discount rate, inflation rates and mortality rates. These are set out in the pensions note, together with sensitivity analysis that shows the effect that these estimates can have on the carrying value of the pension deficit.

#### 4 Turnover

The analysis of the Company's revenue for the period from continuing operations is as follows:

	<b>26 December 2021 to 24 December 2022</b>	<b>27 December 2020 to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Management services recharged to other Group companies	<u>53,005</u>	<u>52,006</u>

#### 5 Operating loss

Arrived at after charging/(crediting)

	<b>26 December 2021 to 24 December 2022</b>	<b>27 December 2020 to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Depreciation expense - PPE	1,990	1,784
Amortisation expense	1,923	1,684
Impairment loss	39,082	8
Foreign exchange gains	<u>603</u>	<u>-</u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 6 Interest payable and similar expenses

	<b>26 December 2021 to 24 December 2022</b>	<b>(As restated - see note 25) 27 December 2020 to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Pensions finance charge	(2,700)	400
Interest expense on leases	8	5
	(2,692)	405

#### 7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>52 weeks to 24 December 2022</b>	<b>52 weeks to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Wages and salaries	12,840	10,699
Social security costs	2,234	3,645
Pension costs, defined contribution scheme	300	249
Pension costs, defined benefit scheme	2,401	6,800
Share-based payment expenses	2,343	6,367
	20,118	27,760

The defined benefit scheme charge in both periods relates to the cost of providing defined benefit pensions to the whole Howden Joinery Group, for the reasons explained at Note 23.

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

	<b>26 December 2021 to 24 December 2022</b>	<b>27 December 2020 to 25 December 2021</b>
	<b>No.</b>	<b>No.</b>
Administration and support	47	46

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 8 Directors' remuneration

The directors' remuneration for the period was as follows:

	<b>26 December 2021 to 24 December 2022</b>	<b>27 December 2020 to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Remuneration	1,831	1,323
Defined benefit pension	2	10
	1,833	1,333

During the period the number of Directors who were receiving benefits and share incentives was as follows:

	<b>52 weeks to 24 December 2022</b>	<b>52 weeks to 25 December 2021</b>
	<b>No.</b>	<b>No.</b>
Received or were entitled to receive shares under long term incentive schemes	2	2
Exercised share options	1	-
Accruing benefits under defined benefit pension scheme	1	1
Accruing benefits under money purchase pension scheme	1	1

In respect of the highest paid Director:

	<b>52 weeks to 24 December 2022</b>	<b>52 weeks to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Remuneration	508	474
Benefits under long-term incentive schemes (excluding shares)	638	-

During the period the highest paid Director received or was entitled to receive shares under a long term incentive scheme.

#### 9 Auditor's remuneration

	<b>26 December 2021 to 24 December 2022</b>	<b>27 December 2020 to 25 December 2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Audit of the financial statements	899	50

In 2022, this Company has paid the audit fees for a number of fellow wholly-owned subsidiaries of this Company's ultimate parent.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 10 Income tax

Tax charged/(credited) in the income statement

	<b>52 weeks to 24 December 2022 £ 000</b>	<b>(As restated - see note 25) 52 weeks to 25 December 2021 £ 000</b>
<b>Current taxation</b>		
UK corporation tax	58	(2,908)
UK corporation tax adjustment to prior periods	<u>1,290</u>	<u>(275)</u>
	<u>1,348</u>	<u>(3,183)</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of temporary differences	(423)	1,212
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	<u>(1,569)</u>	<u>(9)</u>
Total deferred taxation	<u>(1,992)</u>	<u>1,203</u>
Tax receipt in the income statement	<u>(644)</u>	<u>(1,980)</u>

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	<b>52 weeks to 24 December 2022 £ 000</b>	<b>(As restated - see note 25) 52 weeks to 25 December 2021 £ 000</b>
Loss before tax	<u>(40,248)</u>	<u>(10,557)</u>
Corporation tax at standard rate	(7,647)	(2,006)
Increase (decrease) in tax from adjustment for prior periods	(279)	(284)
Increase (decrease) from effect of capital allowances depreciation	(151)	(68)
Increase (decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	7,558	1,155
Increase (decrease) from effect of exercise employee share options	(52)	(324)
Deferred tax expense (credit) relating to changes in tax rates or laws	<u>(73)</u>	<u>(453)</u>
Total tax credit	<u>(644)</u>	<u>(1,980)</u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 10 Income tax (continued)

##### Deferred tax

Deferred tax balances for the period have been restated - see note 25.

Deferred tax movement during the period:

	At 26 December 2021 £ 000 , restated see note 25	Recognised in income £ 000	Recognised in other comprehensive income £ 000	Recognised in equity £ 000	At 24 December 2022 £ 000
Pension benefit obligations	(35,202)	(176)	45,753	-	10,375
Accelerated tax depreciation	1,890	2,048	-	-	3,938
Share-based payment	1,383	120	-	(492)	1,011
Leases	-	-	-	-	-
Net tax assets/(liabilities)	<u>(31,929)</u>	<u>1,992</u>	<u>45,753</u>	<u>(492)</u>	<u>15,324</u>

Deferred tax movement during the prior period:

	At 27 December 2020 £ 000	Recognised in income £ 000, restated see note 25	Recognised in other comprehensive income £ 000	Recognised in equity £ 000	At 25 December 2021 £ 000 , restated see note 25
Pension benefit obligations	9,063	(2,287)	(41,978)	-	(35,202)
Accelerated tax depreciation	1,497	394	-	-	1,890
Share-based payment	11	829	-	543	1,383
Leases	139	(139)	-	-	-
Net tax assets/(liabilities)	<u>10,710</u>	<u>(1,203)</u>	<u>(41,978)</u>	<u>543</u>	<u>(31,929)</u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 11 Intangible assets

	Asset under construction £ 000	Other intangible assets £ 000	Total £ 000
<b>Cost or valuation</b>			
At 26 December 2021	854	11,085	11,939
Additions	1,904	370	2,274
Disposals	-	(607)	(607)
Transfers	(616)	616	-
At 24 December 2022	<u>2,142</u>	<u>11,464</u>	<u>13,606</u>
<b>Amortisation</b>			
At 26 December 2021	-	8,275	8,275
Amortisation charge	-	1,924	1,924
Amortisation eliminated on disposals	-	(583)	(583)
At 24 December 2022	<u>-</u>	<u>9,616</u>	<u>9,616</u>
<b>Carrying amount</b>			
At 24 December 2022	<u>2,142</u>	<u>1,848</u>	<u>3,990</u>
At 25 December 2021	<u>853</u>	<u>2,810</u>	<u>3,663</u>

**Howden Joinery Corporate Services Limited**

**Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022**

**12 Property, plant and equipment**

	Leasehold property £ 000	Fixtures & fittings £ 000	Assets under construction £ 000	Other property, plant and equipment £ 000	Total £ 000
<b>Cost or valuation</b>					
At 26 December 2021	3,500	544	1,407	40,929	46,380
Additions	36	2	1,762	246	2,046
Disposals	-	-	-	(1,299)	(1,299)
Transfers	-	-	(1,407)	1,407	-
At 24 December 2022	<u>3,536</u>	<u>546</u>	<u>1,762</u>	<u>41,283</u>	<u>47,127</u>
<b>Depreciation</b>					
At 26 December 2021	3,077	518	-	36,332	39,927
Charge for the period	194	12	-	1,784	1,990
Eliminated on disposal	-	-	-	(1,299)	(1,299)
At 24 December 2022	<u>3,271</u>	<u>530</u>	<u>-</u>	<u>36,817</u>	<u>40,618</u>
<b>Carrying amount</b>					
At 24 December 2022	<u>265</u>	<u>16</u>	<u>1,762</u>	<u>4,466</u>	<u>6,509</u>
At 25 December 2021	<u>423</u>	<u>26</u>	<u>1,407</u>	<u>4,597</u>	<u>6,453</u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 13 Investments

	<b>24 December 2022 £ 000</b>	<b>25 December 2021 £ 000</b>
<b>Cost</b>		
At 26 December	75,054	74,393
Additions	1,607	1,013
Disposals	(141)	(352)
At 24 December	76,520	75,054
<b>Carrying amount</b>		
At 24 December	76,520	75,054

The investment is in the listed ordinary shares of the Company's ultimate parent, Howden Joinery Group Plc. The shares are held in employee share ownership trusts.

#### 14 Trade and other receivables

	<b>24 December 2022 £ 000</b>	<b>(As restated - see note 25) 25 December 2021 £ 000</b>
Trade debtors	5	7
Debts from fellow Group subsidiaries	83,697	1,159,179
Prepayments	8,494	9,735
Other debtors	1,802	1,808
	93,998	1,170,729

#### 15 Cash and cash equivalents

	<b>24 December 2022 £ 000</b>	<b>25 December 2021 £ 000</b>
Cash at bank	70	207

#### 16 Share-based payments

The ultimate parent company, Howden Joinery Group Plc ("the Group") operates various share-based payment schemes for employees in its subsidiary companies, all of which relate to shares in the Group. There are no share-based payment schemes relating to the shares in the Company. The various Group schemes are described below.



## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 16 Share-based payments (continued)

##### Share Incentive Plan ("SIP")

##### Scheme description

This is a UK tax-advantaged 'all-employee' share plan under which the Company may grant the following types of awards to eligible UK employees:

(i) Free Shares, the vesting and forfeiture period for which is three years commencing on the date of grant and subject to continued employment. The shares are not subject to any performance conditions. Dividends are payable on the Free Shares during the vesting period. Voting rights are attached to Free Shares during the vesting period.

(ii) Partnership Shares, which do not have a vesting period as they are purchased using deductions from the gross pay of participating employees. The shares are not subject to any performance conditions. Dividends are payable on the Partnership Shares from grant. Voting rights are attached to Partnership Shares from grant.

(iii) Matching Shares, the vesting and forfeiture period for which is three years commencing on the date of grant and subject to continued employment and retention of the associated Partnership Shares in the SIP trust. Matching Shares are granted to participants in a ratio determined by the Company up to a maximum of two free Matching Shares for each Partnership Share purchased. Matching Shares are not subject to any performance conditions. Dividends are payable on the Matching Shares during the vesting period. Voting rights are attached to Matching Shares during the vesting period.

(iv) Dividend Shares, which do not have a vesting period as they are purchased using dividend monies payable on existing SIP shares held in the SIP trust. The shares are not subject to any performance conditions. Dividends are payable on the Dividend Shares from grant. Voting rights are attached to Dividend Shares from grant.

Free Shares, Partnership Shares, and Matching Shares must be kept in the SIP trust for five years from the date of grant to be capable of being sold or transferred out of the SIP trust free of income tax and National Insurance contributions (exceptions apply for 'good leaver' scenarios). Dividend Shares must be held in the SIP trust for three years from the date of grant to be capable of being sold or transferred out of the SIP trust free of income tax liability.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 16 Share-based payments (continued)

##### Howden Joinery Group Long Term Incentive Plan ("LTIP")

###### Scheme description

This is a discretionary plan under which the Group may grant different types of awards including options, conditional awards, and restricted share awards. With the exception of (iv) below, neither dividends nor dividend equivalents are payable during the vesting period. The different types of awards are as follows:

(i) Conditional Share Awards, the vesting period for which is three years commencing on the date of grant and subject to continued employment. The shares are not subject to any other performance conditions.

(ii) Market value options, the vesting period for which was three years commencing from the date of grant with an exercise period of seven years (i.e. a total life of ten years). The vesting conditions for these options were as follows:

Date of award (a) 2012 (b) 2013 (c) 2014

Vesting based on growth in profits - from year ended December (a) 2011 (b) 2012 (c) 2013 for the three-year period ending with the year ended December (a) 2014 (b) 2015 (c) 2016

Award vests at 15% if profits over the vesting period grow by (a) 6% (b) 6% (c) 8%

Award vests at 100% if profits over the vesting period grow by (a) 12% (b) 12% (c) 20%

(iii) Performance Share Plan, the vesting period for which was three years commencing from the date of grant. The vesting conditions for these options were as follows:

Date of award (a) 2018 (b) 2019

Vesting based on growth in profits - from year ended December (a) 2017 (b) 2018 for the three-year period ending with the year ended December (a) 2020 (b) 2021

Award vests at 15% if profits over the vesting period grow by (a) 5% (b) 5%

Award vests at 100% if profits over the vesting period grow by (a) 15% (b) 15%

The 2020 award has a performance period from December 2019 to December 2022. 67% of the award is based on TSR, vesting at 15% if the Company performs at median compared to a peer group and 100% if it performs in the upper quartile. 33% of the award is based on growth in profit before tax, and vests at 15% if growth over the performance period is 5%, and vests at 100% if growth is 15%.

The 2021 award has a performance period from December 2020 to December 2023. 33% of the award is based on TSR, vesting at 15% if the Company performs at median compared to a peer group and 100% if it performs in the upper quartile. 67% of the award is based on growth in profit before tax, and vests at 15% if growth over the performance period is 5%, and vests at 100% if growth is 15%.

The 2022 award has a performance period from December 2021 to December 2024. 33% of the award is based on TSR, vesting at 15% if the Company performs at median compared to a peer group and 100% if it performs in the upper quartile. 67% of the award is based on growth in profit before tax, and vests at 15% if growth over the performance period is 5%, and vests at 100% if growth is 15%.

(iv) Restricted share awards, where the participant receives beneficial entitlement to shares upon grant of the award. The legal interest, however, is not transferred to the participant until the forfeiture provisions and restrictions applicable to the awards cease to apply. The shares are not subject to any performance conditions other than continued employment. Dividends are payable during the vesting period.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 17 Trade and other payables

	24 December 2022 £ 000	(As restated - see note 25) 25 December 2021 £ 000
Trade payables	5,770	8,134
Accrued expenses	16,151	16,840
Amounts due to fellow Group companies	424,249	1,457,491
Social security and other taxes	1,779	985
Other payables	291	49
	448,240	1,483,499

#### 18 Share capital

##### Allotted, called up and fully paid shares

	No. 000	24 December 2022 £ 000	No. 000	25 December 2021 £ 000
Ordinary shares of £1 each	12,358	12,358	12,358	12,358
	12,358	12,358	12,358	12,358

#### 19 Right of use assets

2022	Machinery £ 000	Property £ 000	Total £ 000
Additions	123	-	123
Depreciation charge for the period	82	-	82
Carrying amount at year end	199	-	199
	Machinery	Property	Total
<b>2021 - restated - note 25</b>	<b>£ 000</b>	<b>£ 000</b>	<b>£ 000</b>
Additions	99	-	99
Depreciation charge for the period	588	-	588
Carrying amount at year end	248	-	248

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 20 Leases

##### Lease liabilities maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£ 000</b>	<b>£ 000 (restated - note 25)</b>
Less than one year	80	153
One to five years	127	87
Total lease liabilities (undiscounted)	207	240

##### Total cash outflows related to leases

Total cash outflows related to leases are presented in the table below:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£ 000</b>	<b>£ 000 (restated - note 25)</b>
<b>Payment</b>		
Repayment of capital	89	585
Interest	3	3
Short term leases	656	152
Total cash outflow	748	740

#### 21 Commitments

##### Capital commitments

Purchases of tangible and intangible non-current assets:

The total amount contracted for but not provided in the financial statements was £Nil (2021 - £155,214).

#### 22 Other provisions

	<b>Property £ 000</b>	<b>Total £ 000</b>
At 26 December 2021	750	750
At 24 December 2022	750	750
Current liabilities	750	750

## **Howden Joinery Corporate Services Limited**

### **Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022**

#### **22 Other provisions (continued)**

The property provision covers obligations to make dilapidation payments to landlords of leased properties. Following the guidance in the IFRSs governing leases and provisions, our assessment is that, in general, the likelihood of a cash outflow for dilapidations at the time of signing a lease is remote, and therefore it would be unusual for us to recognise any costs relating to dilapidations at that time.

In these cases, the event which changes our assessment of the likelihood of a cash outflow for dilapidations from being remote to being probable, and which therefore triggers our recognition of a provision for that probable outflow, typically occurs either (i) if the landlord serves an interim schedule of dilapidations part-way through a lease, or (ii) as we draw towards the end of a lease and we can assess the condition of the leased property and the likelihood of dilapidations being payable.

The timing of any outflows from the provision is variable, and is dependent on the timing of dilapidations assessments and works. Although circumstances will differ from property to property, a typical pattern would be that the outflow would occur within 1-3 years of the provision being made. The amounts provided are specific to each property and are based on our best estimate of the cost of performing any required works or, in cases where we will not be directly contracting for the works to be done, our best estimate of the outflow required to settle any claim from the landlord. Where the amounts involved are significant, we would typically take advice on the likely costs from third-party property maintenance specialists.

#### **23 Pension and other schemes**

##### **Defined contribution pension scheme**

The Company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the Company to the scheme and amounted to £299,972 (2021 - £248,748).

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

##### Defined benefit pension schemes

##### Howden Joinery Group Defined Benefit Plan

##### Plans that share risks between entities under common control

Characteristics and risks of the plan:

The Howden Joinery Group operates a funded pension plan which provides benefits based on the career average pensionable pay of participating employees. This plan was closed to new entrants from April 2013.

The plan shares risks between wholly-owned Group subsidiaries which are each under the control of the ultimate parent company. These risks are shared between this Company and two other wholly-owned Group subsidiaries.

There is no contractual agreement or stated policy for charging the net defined benefit cost between the participating subsidiaries and this Company is the sponsoring employer, so the entire net defined benefit pension cost, and the entire pension deficit, appears in this Company's accounts.

The Group operates a funded pension plan which provides benefits based on the career average pensionable pay of participating employees. This plan was closed to new entrants from April 2013. In November 2020, the Company entered into a consultation process with affected employees and collective bargaining groups regarding the potential closure of the defined benefit Howden Joinery Pension Plan to future accrual. The outcome of the consultation was that the Plan closed to future accrual from 31 March 2021.

The assets of the plan are held separately from those of the Group, being held in a trustee-administered pension plan and invested with independent fund managers. The trustee directors of the plan comprise three member-elected trustees, two independent trustees, and three Group-appointed trustees. All trustees are required to act in the best interests of the plan beneficiaries.

The plan exposes the Group to actuarial risks, such as longevity risk, interest rate risk, inflation risk and market (investment) risk.

Longevity risk is the risk that members live for longer than is currently expected. That results in pensions being paid for longer than expected, thus costing schemes more money.

Examples of interest rate risk are that a decrease in corporate bond yields increases the present value of the defined benefit obligations, or that a decrease in gilt yields results in a worsening in the Scheme's funding position.

An example of inflation risk is that an increase in inflation results in higher benefit increases for members which in turn increases the Scheme's liabilities.

Investment risk comes from three main sources: risk that the fund will fall in value, risk that the pension fund's returns will not keep pace with inflation (real returns are negative), and risk that the pension fund does not perform well enough to keep pace with the growth in the cost of providing pension benefits.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

##### Funding and estimated contributions

The Group's contributions in the current and prior periods are shown in the tables below. The Group bears the plan's administration costs. The Group also has an agreement with the pension plan trustees to make additional deficit contributions to the plan of £30m per year until June 2023. Under the agreement, the scheme's funding position is monitored on a monthly basis and deficit contributions are to be suspended if the scheme's funding position is 100% or greater as at the last working day of two consecutive months on a Technical Provisions ("TP") basis, and is resumed if the funding position subsequently falls back to below 100% on the last working day of two consecutive months..

The scheme's funding reached 100% on a TP basis part way through 2021 and additional deficit contributions stopped, according to the mechanism described above. The scheme remained in surplus on a TP basis until the part way through October 2022, and remained in TP deficit from that point until the the 2022 year end. Additional deficit contributions commenced from the beginning of 2023.

The Group's estimated total cash contributions to the defined benefit plan in the 52 weeks ending 30 December 2023 are £30.6m. This figure allows for additional deficit contributions for the whole of 2023 at the current rate of £30m per year.

Contributions payable to the pension scheme at the end of the period are £Nil (2021 - £Nil).

##### Accounting and actuarial valuation

Contributions are charged to the consolidated income statement so as to spread the cost of pensions over the employees' working lives with the Group. The present value of the defined benefit obligation, the related current service cost, and past service cost are determined by a qualified actuary using the projected unit method. The most recent completed actuarial valuation was carried out at 5 April 2020 by the plan actuary. The actuary advising the Group has subsequently rolled forward the results of the 5 April 2020 valuation to 24 December 2022. This roll-forward exercise involves updating all the assumptions which are market-based (i.e. inflation, discount rate, rate of increase in pensions and rate of CARE revaluation) to values as at 24 December 2022. We are using CMI 2021 mortality tables, being the most recent tables available.

As is mandatory under International Financial Reporting Standards, the Group values its pension deficit in these accounts on an IAS19 basis. As shown below, the IAS19 deficit at the current period end is £41.5m. On a funding basis (also known as a "Technical Provisions basis", being the basis on which the triennial actuarial valuations are carried out), the funding deficit at the current period end is estimated at £64.7m, this estimate being based on an approximate roll-forward of the 2020 triennial funding valuation, updated for market conditions. The IAS 19 valuation requires 'best estimate' assumptions to be used whereas the funding valuation uses 'prudent' assumptions. This would typically result in the funding valuation producing a higher deficit, or a lower asset, than the IAS 19 valuation.

##### Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£ m</b>	<b>£ m</b>
Fair value of scheme assets	889	1,653
Present value of scheme liabilities	<u>(931)</u>	<u>(1,513)</u>
Defined benefit pension scheme (deficit)/surplus	<u>(42)</u>	<u>140</u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

Scheme assets

Changes in the fair value of scheme assets are as follows:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£ m</b>	<b>£ m</b>
Fair value at start of period	1,653	1,593
Interest income	31	21
Return on plan assets, excluding amounts included in interest income/(expense)	(754)	58
Employer contributions	1	25
Benefits paid	<u>(42)</u>	<u>(44)</u>
Fair value at end of period	<u><u>889</u></u>	<u><u>1,653</u></u>

Analysis of assets

The major categories of scheme assets are as follows:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£m</b>	<b>£m</b>
Cash and cash equivalents	25	21
Equity instruments	1	173
Debt instruments	176	668
Investment funds	<u>687</u>	<u>791</u>
	<u><u>889</u></u>	<u><u>1,653</u></u>

#### Equity instruments

Equity instruments can be further categorised as follows:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£m</b>	<b>£m</b>
<b>Quoted</b>		
Passive equities	-	173
<b>Unquoted</b>		
Private equity	<u>1</u>	<u>1</u>
	<u><u>1</u></u>	<u><u>174</u></u>



## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

##### Debt instruments

Debt instruments can be further categorised as follows:

	24 December 2022 £m	25 December 2021 £m
<b>Quoted</b>		
Corporate bonds	2	232
Government bonds	174	436
	176	668

##### Investment funds

Investment funds can be further categorised as follows:

	24 December 2022 £m	25 December 2021 £m
<b>Quoted</b>		
Commercial property fund	8	114
Absolute return fund	1	91
Asset-backed securities	1	11
	10	216
<b>Unquoted</b>		
Commercial property fund	240	176
Fund of hedge funds	152	149
Insurance-linked securities	105	101
Other Secure Income	179	150
	676	576
	686	792

##### Valuation of assets

All of the quoted assets have a daily price, and therefore are valued using market prices on the last trading day before our year end.

Unquoted investments are stated at values provided by the fund manager in accordance with relevant guidance. Some of the unquoted funds are valued on a weekly basis, some are valued on a monthly basis, and others are only valued on a quarterly basis. Based on asset values at the current year end, 48% of the unquoted assets are valued based on a valuation from the fund manager as at 31 December 2022, and a further 10% are valued at 3 January 2023, adjusted for cash movements and rolled backwards using a suitable index if there is one. The fund managers' 31 December 2022 valuations for the remaining 42% of unquoted assets, which have a carrying value of £286.0m at the current period end, are not available until after these consolidated financial statements are approved and so the only available valuations for these funds at the current year is the 30 September 2022 valuations from the fund managers, which are adjusted for cash movements and rolled forward to our year end date using a suitably-correlated index where one is available.

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

Actual return on scheme's assets

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£m</b>	<b>£m</b>
Actual return on scheme assets	<u>(723)</u>	<u>79</u>

The pension scheme has not invested in any of the Company's own financial instruments or in properties or other assets used by the Company.

Scheme liabilities

Changes in the present value of scheme liabilities are as follows:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>£m</b>	<b>£m</b>
Present value at start of period	1,513	1,641
Current service cost	-	5
Administration cost	2	2
Actuarial gains and losses arising from changes in demographic assumptions	(4)	-
Actuarial gains and losses arising from changes in financial assumptions	(623)	(133)
Actuarial gains and losses arising from experience adjustments	56	20
Interest cost	28	21
Benefits paid	<u>(42)</u>	<u>(44)</u>
Present value at end of period	<u>930</u>	<u>1,512</u>

Principal actuarial assumptions

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the statement of financial position date are as follows:

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>%</b>	<b>%</b>
Discount rate	4.70	1.90
Future salary increases	-	4.30
	<u>3.15</u>	<u>3.30</u>

*Post retirement mortality assumptions*

	<b>24 December 2022</b>	<b>25 December 2021</b>
	<b>Years</b>	<b>Years</b>
Current UK pensioners at retirement age - male	22	22
Current UK pensioners at retirement age - female	23	23
Future UK pensioners at retirement age - male	23	23
Future UK pensioners at retirement age - female	<u>25</u>	<u>25</u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

Amounts recognised in the income statement

	<b>24 December 2022 £m</b>	<b>25 December 2021 £m</b>
<b>Amounts recognised in operating profit</b>		
Current service cost	-	(5)
Administrative expenses paid	<u>(2)</u>	<u>(2)</u>
Recognised in arriving at operating profit	<u>(2)</u>	<u>(7)</u>
<b>Amounts recognised in finance income or costs</b>		
Net interest	<u>3</u>	<u>-</u>
Total recognised in the income statement	<u><u>1</u></u>	<u><u>(7)</u></u>

Amounts taken to the Statement of Comprehensive Income

	<b>24 December 2022 £m</b>	<b>25 December 2021 £m</b>
Actuarial gains and losses arising from changes in financial assumptions	571	112
Return on plan assets, excluding amounts included in interest income/(expense)	<u>(754)</u>	<u>58</u>
Amounts recognised in the Statement of Comprehensive Income	<u><u>(183)</u></u>	<u><u>170</u></u>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 23 Pension and other schemes (continued)

##### Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	24 December 2022			25 December 2021		
<b>Adjustment to discount rate</b>	+ 0.5%	0.0%	- 0.5%	+ 0.5%	0.0%	- 0.5%
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	<u>(854)</u>	<u>(931)</u>	<u>(1,007)</u>	<u>(1,351)</u>	<u>(1,513)</u>	<u>(1,675)</u>
	24 December 2022			25 December 2021		
<b>Adjustment to rate of inflation</b>	+ 0.5%	0.0%	- 0.5%	+ 0.5%	0.0%	- 0.5%
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	<u>(893)</u>	<u>(931)</u>	<u>(968)</u>	<u>(1,426)</u>	<u>(1,513)</u>	<u>(1,600)</u>
	24 December 2022			25 December 2021		
<b>Adjustment to mortality age rating assumption</b>	+ 1 Year	None	- 1 Year	+ 1 Year	None	- 1 Year
	£ 000	£ 000	£ 000	£ 000	£ 000	£ 000
Present value of total obligation	<u>(898)</u>	<u>(931)</u>	<u>(963)</u>	<u>(1,460)</u>	<u>(1,513)</u>	<u>(1,566)</u>

The weighted average duration of the defined benefit obligation at both the current and prior period ends was 21 years.

#### 24 Parent and ultimate parent undertaking

The company's immediate parent is Howden Joinery Group Plc.

The ultimate parent, who produces consolidated financial statements which include this company is Howden Joinery Group Plc.

The most senior parent entity producing publicly available financial statements, and the only other entity who produces consolidated financial statements which include this company is Howden Joinery Group Plc. These financial statements are available on request from 40 Portman Square, London W1H 6LT, or <http://howdenjoinerygroupplc.com/investors/financial-reporting/reports/index.asp>

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 25 Prior year restatement

During the current period, the Directors have reassessed the Company's accounting for leases and intercompany receivables. This has led to prior year adjustments to the Company financial statements, as detailed below. There is no impact on the consolidated Group financial statements of this Company's ultimate parent.

#### Property lease accounting

On adoption of IFRS16: Leases, the Directors determined that the companies who actively manage and operate the leased properties should record the lease liabilities and right-of-use lease assets. This approach has been revisited and the revised conclusion was that leases should be accounted for in the financial statements of the company who is the signatory to the lease.

A review of the Group's leases identified that there were 2 leases which were managed by this Company, and which were previously accounted for in this Company, but where another 100%-owned Group subsidiary was signatory to the lease. Accordingly, an adjustment has been made to remove these leases from the financial statements of this Company and to account for these leases in the fellow subsidiary companies who are signatories to the leases. The restatement transferring these leases out of this Company has also given rise to an intercompany creditor as is shown in the restatement table below. There is no impact on the consolidated Group financial statements of this Company's ultimate parent.

#### Intercompany receivables

In prior years, the Directors assessed the recoverability of the intercompany receivables based on the viability of the Group as a whole. This approach has been revisited to assess the ability and intent of the individual subsidiary entities to repay the amounts due on demand.

As a result of this review, it has been identified that some intercompany receivables were impaired at 26 December 2020, with a further impairment arising in the period ending 25 December 2021, but these impairments had not been recognised in this Company's previously-published financial statements. The impairments have therefore been recorded as prior year adjustments and their quantum is shown in the table below. There is no impact on the consolidated Group financial statements of this Company's ultimate parent.

Howden Joinery Corporate Services Limited

Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

25 Prior year restatement (continued)

Adjustments arising from restatements

	Lease right-of-use assets £ 000	Current lease liabilities £ 000	Non-current lease liabilities £ 000	Amounts due from fellow Group subsidiaries £ 000	Amounts due to fellow Group subsidiaries £ 000	Deferred tax £ 000	Net effect of restatements on reserves £ 000
<b>Adjustments to opening balances as at 26 Dec 2020</b>							
Property lease accounting - transfer leases between fellow subsidiaries	(3,304)	1,100	2,910	-	-	-	706
Intercompany receivables - impairment of intercompany debt	-	-	-	(27,784)	-	-	(27,784)
Effect of restatements on opening balances as at 26 Dec 2020	<u>(3,304)</u>	<u>1,100</u>	<u>2,910</u>	<u>(27,784)</u>	<u>-</u>	<u>-</u>	<u>(27,078)</u>
<b>Adjustments in year to 25 Dec 2021</b>							
Property lease accounting - incremental effect in 2021	860	(272)	(828)	-	(912)	-	(1,152)
Intercompany receivables - incremental impairment in 2021	-	-	-	(8)	-	-	(8)
Tax effect of 2021 restatements	-	-	-	-	-	(124)	(124)

**Howden Joinery Corporate Services Limited**

**Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022**

**25 Prior year restatement (continued)**

**Adjustments arising from restatements (continued)**

Lease right-of-use assets £ 000	Current lease liabilities £ 000	Non-current lease liabilities £ 000	Amounts due from fellow Group subsidiaries £ 000	Amounts due to fellow Group subsidiaries £ 000	Deferred tax £ 000	Net effect of restatements on reserves £ 000
860	(272)	(828)	(8)	(912)	(124)	(1,284)
Incremental effect of restatements on year to 25 Dec 2021 figures						

## Howden Joinery Corporate Services Limited

### Notes to the Financial Statements for the Period from 26 December 2021 to 24 December 2022

#### 25 Prior year restatement (continued)

##### Adjustments arising from restatements (continued)

##### Adjustments to other comprehensive income - 2021

	<b>£ 000</b>
(Increase)/decrease in administrative expenses	(1,212)
(Increase)/decrease in interest payable and similar charges	52
(Increase)/decrease in tax on profit	<u>(124)</u>
Total change in other comprehensive income	<u><u>(1,284)</u></u>



