

Company Registration No. 04376308 (England and Wales)

C&F GROUP HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MAY 2020



C&F GROUP HOLDINGS LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | Mr C M Carver Mr D C Foster |
| Secretary | Mr D C Foster |
| Company number | 04376308 |
| Registered office | Ann Street Willenhall West Midlands WV13 1EW |
| Accountants | Azets Audit Services Harance House Rumer Hill Business Estate Rumer Hill Road Cannock Staffordshire WS11 0ET |

C&F GROUP HOLDINGS LIMITED

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C&F GROUP HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 MAY 2020

The directors present their annual report and financial statements for the period ended 31 May 2020.

Principal activities

The principal activity of the company and group continued to be that of manufacture of presswork, welded assemblies, cut length tubing and machine aluminium extrusions.

Results and dividends

Ordinary dividends were paid amounting to £144,000. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Mr C M Carver
Mr D C Foster

Post reporting date events

The directors have considered the impact of Covid-19 and it is not expected to have a significant impact on the entity. The directors have determined that there is no material uncertainty that casts doubts on the entity's ability to continue as a going concern, therefore the going concern basis of accounting has been adopted.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr C M Carver
Director



27 May 2021

C&F GROUP HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 MAY 2020

| | Notes | Period ended 31 May 2020 £ | Year ended 31 March 2019 £ |
|---|-------|--|--|
| Turnover | | 7,899,329 | 6,818,902 |
| Cost of sales | | (5,272,639) | (4,282,514) |
| Gross profit | | 2,626,690 | 2,536,388 |
| Distribution costs | | (367,064) | (268,140) |
| Administrative expenses | | (2,403,754) | (1,972,567) |
| Other operating income | | 143,662 | 9,882 |
| Operating (loss)/profit | | (466) | 305,563 |
| Interest payable and similar expenses | | (43,057) | (49,302) |
| (Loss)/profit before taxation | | (43,523) | 256,261 |
| Tax on (loss)/profit | | 25,992 | (28,230) |
| (Loss)/profit for the financial period | | (17,531) | 228,031 |

(Loss)/profit for the financial period is all attributable to the owners of the parent company.

Total comprehensive income for the period is all attributable to the owners of the parent company.

C&F GROUP HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MAY 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|--|-------|--------------------|-------------------------|--------------------|-------------------------|
| Fixed assets | | | | | |
| Intangible assets | 4 | | 49,156 | | 81,509 |
| Tangible assets | 5 | | 1,918,217 | | 1,867,594 |
| | | | <u>1,967,373</u> | | <u>1,949,103</u> |
| Current assets | | | | | |
| Stocks | | 962,361 | | 997,630 | |
| Debtors | 8 | 1,765,890 | | 1,906,448 | |
| Cash at bank and in hand | | 221,159 | | 146,736 | |
| | | <u>2,949,410</u> | | <u>3,050,814</u> | |
| Creditors: amounts falling due within one year | 9 | <u>(2,021,023)</u> | | <u>(1,934,620)</u> | |
| Net current assets | | | <u>928,387</u> | | <u>1,116,194</u> |
| Total assets less current liabilities | | | <u>2,895,760</u> | | <u>3,065,297</u> |
| Creditors: amounts falling due after more than one year | 10 | | (90,468) | | (88,137) |
| Provisions for liabilities | | | <u>(247,321)</u> | | <u>(237,658)</u> |
| Net assets | | | <u><u>2,557,971</u></u> | | <u><u>2,739,502</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | | | 100,000 | | 100,000 |
| Capital redemption reserve | | | (21,950) | | (21,950) |
| Profit and loss reserves | | | 2,479,921 | | 2,661,452 |
| Total equity | | | <u><u>2,557,971</u></u> | | <u><u>2,739,502</u></u> |

For the financial period ended 31 May 2020 the group was entitled to exemption from audit under section 477 of the Companies Act 2006.

Directors' responsibilities under the Companies Act 2006:

- The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

C&F GROUP HOLDINGS LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 MAY 2020

The financial statements were approved by the board of directors and authorised for issue on 27 May 2021 and are signed on its behalf by:



Mr C M Carver
Director

C&F GROUP HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MAY 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|---|-------|-------------|-------------|-------------|-------------|
| Fixed assets | | | | | |
| Investments | 6 | | 1,398,317 | | 1,398,317 |
| Current assets | | | | | |
| Debtors | 8 | 2 | | 2 | |
| Creditors: amounts falling due within one year | 9 | (1,298,319) | | (1,298,319) | |
| Net current liabilities | | | (1,298,317) | | (1,298,317) |
| Total assets less current liabilities | | | 100,000 | | 100,000 |
| Capital and reserves | | | | | |
| Called up share capital | | | 100,000 | | 100,000 |

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £144,000 (2019 - £107,700 profit).

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

The financial statements were approved by the board of directors and authorised for issue on 27 May 2021 and are signed on its behalf by:

Mr C M Carver
Director



Company Registration No. 04376308

C&F GROUP HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MAY 2020

| | Notes | Share capital £ | Capital redemption reserve £ | Profit and loss reserves £ | Total £ |
|--|-------|-----------------------|---------------------------------------|-------------------------------------|------------|
| Balance at 1 April 2018 | | 100,000 | (21,950) | 2,601,121 | 2,679,171 |
| Year ended 31 March 2019: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 228,031 | 228,031 |
| Dividends | | - | - | (167,700) | (167,700) |
| Balance at 31 March 2019 | | 100,000 | (21,950) | 2,661,452 | 2,739,502 |
| Period ended 31 May 2020: | | | | | |
| Loss and total comprehensive income for the period | | - | - | (17,531) | (17,531) |
| Dividends | | - | - | (164,000) | (164,000) |
| Balance at 31 May 2020 | | 100,000 | (21,950) | 2,479,921 | 2,557,971 |

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

Company information

C&F Group Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Ann Street, Willenhall, West Midlands, WV13 1EW.

The group consists of C&F Group Holdings Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company C&F Group Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 May 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.4 Going concern

These financial statements are prepared on the going concern basis. Management have considered the consequences of COVID-19 and other events and conditions, and it has determined that they do not create a material uncertainty that casts significant doubt upon the company's ability to continue as a going concern.

1.5 Reporting period

The reporting period in the financial statements is a 14 month period due to an extension of the reporting period of group companies. For this reason, the comparative amounts presented in the financial statements are not entirely comparable with that of the previous year.

1.6 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.8 Tangible fixed assets

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

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

| | |
|-----------------------------|-------------------------------|
| Freehold land and buildings | 2% per annum on cost |
| Plant and equipment | 10% and 20% per annum on cost |
| Fixtures and fittings | 10% and 33% per annum on cost |
| Motor vehicles | 20% per annum on cost |

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

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.13 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.14 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.15 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.16 Taxation

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

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Retirement benefits

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

1.19 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

1 Accounting policies

(Continued)

1.20 Government grants

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

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

1.21 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

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

| | Group 2020 Number | 2019 Number | Company 2020 Number | 2019 Number |
|-------|-------------------------|----------------|---------------------------|----------------|
| Total | 100 | 115 | - | - |

3 Directors' remuneration

| | 2020 £ | 2019 £ |
|--------------------------------|-----------|-----------|
| Remuneration paid to directors | 223,979 | 196,147 |

The Directors and full list of Key Management Personnel involved in the Company are one and the same.

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

4 Intangible fixed assets

| Group | Goodwill on consolidation £ |
|-------------------------------------|--------------------------------|
| Cost | |
| At 1 April 2019 and 31 May 2020 | 854,308 |
| Amortisation and impairment | |
| At 1 April 2019 | 772,799 |
| Amortisation charged for the period | 32,353 |
| At 31 May 2020 | 805,152 |
| Carrying amount | |
| At 31 May 2020 | 49,156 |
| At 31 March 2019 | 81,509 |

The company had no intangible fixed assets at 31 May 2020 or 31 March 2019.

Goodwill on consolidation is being amortised over the director's estimate of its useful life of 20 years. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

5 Tangible fixed assets

| Group | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|--------------------|-------------------------|-----------|
| | £ | £ | £ |
| Cost | | | |
| At 1 April 2019 | 770,482 | 4,403,675 | 5,174,157 |
| Additions | 40,825 | 341,402 | 382,227 |
| Disposals | - | (6,950) | (6,950) |
| At 31 May 2020 | 811,307 | 4,738,127 | 5,549,434 |
| Depreciation and impairment | | | |
| At 1 April 2019 | 348,840 | 2,957,723 | 3,306,563 |
| Depreciation charged in the period | 17,842 | 309,417 | 327,259 |
| Eliminated in respect of disposals | - | (2,605) | (2,605) |
| At 31 May 2020 | 366,682 | 3,264,535 | 3,631,217 |
| Carrying amount | | | |
| At 31 May 2020 | 444,625 | 1,473,592 | 1,918,217 |
| At 31 March 2019 | 421,642 | 1,445,952 | 1,867,594 |

The company had no tangible fixed assets at 31 May 2020 or 31 May 2019.

6 Fixed asset investments

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|-----------------------------|--------------------|-----------|----------------------|-----------|
| Investments in subsidiaries | - | - | 1,398,317 | 1,398,317 |
| | - | - | 1,398,317 | 1,398,317 |

7 Subsidiaries

Details of the company's subsidiaries at 31 May 2020 are as follows:

| Name of undertaking | Country of incorporation | Class of shares held | % Held Direct |
|-----------------------------|--------------------------|----------------------|------------------|
| Hallen Engineering Limited | England and Wales | Ordinary | 100.00 |
| J.K.P Limited | England and Wales | Ordinary | 100.00 |
| W R R Pedley and Co Limited | England and Wales | Ordinary | 100.00 |

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2020

7 Subsidiaries

(Continued)

The registered office of all the above subsidiaries is Ann Street, Willenhall, West Midlands, WV13 1EW.

The following subsidiary company is exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts by virtue of S479A:

W.R.R.Pedley Limited - Company Registered Number - 00362615

8 Debtors

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|---|--------------------|------------------|----------------------|-----------|
| Amounts falling due within one year: | | | | |
| Trade debtors | 1,645,427 | 1,829,198 | - | - |
| Corporation tax recoverable | 35,655 | - | - | - |
| Other debtors | 84,808 | 77,250 | 2 | 2 |
| | <u>1,765,890</u> | <u>1,906,448</u> | <u>2</u> | <u>2</u> |

9 Creditors: amounts falling due within one year

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|------------------------------------|--------------------|------------------|----------------------|------------------|
| Bank loans and overdrafts | 979,475 | 743,009 | - | - |
| Trade creditors | 727,612 | 829,424 | - | - |
| Amounts owed to group undertakings | - | - | 1,298,319 | 1,298,319 |
| Corporation tax payable | - | 30,625 | - | - |
| Other taxation and social security | 154,619 | 83,581 | - | - |
| Other creditors | 159,317 | 247,981 | - | - |
| | <u>2,021,023</u> | <u>1,934,620</u> | <u>1,298,319</u> | <u>1,298,319</u> |

The bank overdraft is secured by an unlimited multilateral guarantee given by the company and its subsidiaries and a debenture including a fixed charge over all present and future freehold and leasehold property and a first fixed charge over book debts.

Obligations in respect of hire purchase contracts due in less than one year totalling £61,229 are secured over the assets to which it relates.

10 Creditors: amounts falling due after more than one year

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|-----------------|--------------------|---------------|----------------------|-----------|
| Notes | | | | |
| Other creditors | <u>90,468</u> | <u>88,137</u> | <u>-</u> | <u>-</u> |

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MAY 2020

10 Creditors: amounts falling due after more than one year

(Continued)

Included in other creditors, due after more than one year are 40,000 redeemable preference shares of £1 each which were renewed for an additional 10 years from 1 August 2017. The shares are redeemable at par on or before 1 August 2027. Shareholders are entitled to receive dividends at 50% per annum on the par value of these shares on a cumulative basis. The preference shares carry no voting rights and rank in priority to the ordinary shares for repayment in the event of the company being wound up.

Obligations in respect of hire purchase contracts due after more than one year totalling £50,468 are secured over the assets to which it relates.

11 Loans and overdrafts

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|-------------------------|--------------------|----------------|----------------------|-----------|
| Bank overdrafts | 979,475 | 743,009 | - | - |
| Preference shares | 40,000 | 40,000 | - | - |
| | <u>1,019,475</u> | <u>783,009</u> | <u>-</u> | <u>-</u> |
| Payable within one year | 979,475 | 743,009 | - | - |
| Payable after one year | 40,000 | 40,000 | - | - |
| | <u>1,019,475</u> | <u>783,009</u> | <u>-</u> | <u>-</u> |

40,000 redeemable preference shares of £1 each were renewed for an additional 10 years from 1 August 2017. The shares are redeemable at par on or before 1 August 2027. Shareholders are entitled to receive dividends at 50% per annum on the par value of these shares on a cumulative basis. The preference shares carry no voting rights and rank in priority to the ordinary shares for repayment in the event of the company being wound up.

The bank overdraft is secured by an unlimited multilateral guarantee given by the company and its subsidiaries and a debenture including a fixed charge over all present and future freehold and leasehold property and a first fixed charge over book debts.

12 Finance lease obligations

| | Group 2020 £ | 2019 £ | Company 2020 £ | 2019 £ |
|---|--------------------|----------------|----------------------|-----------|
| Future minimum lease payments due under finance leases: | | | | |
| Within one year | 61,229 | 106,069 | - | - |
| In two to five years | 50,468 | 48,137 | - | - |
| | <u>111,697</u> | <u>154,206</u> | <u>-</u> | <u>-</u> |

C&F GROUP HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) ***FOR THE PERIOD ENDED 31 MAY 2020***

12 Finance lease obligations

(Continued)

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets.

13 Controlling party

There is no ultimate controlling party, as no single party holds a controlling share in the Company.