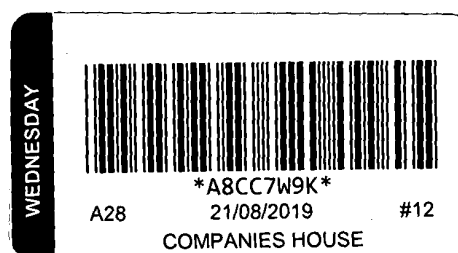


**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2018**
for
Aanco (UK) Limited



**Contents of the Financial Statements
for the Year Ended 31 December 2018**

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Aanco (UK) Limited

**Company Information
for the Year Ended 31 December 2018**

DIRECTORS:

A R Gaunt
B Gaunt
Mrs C L Gaunt

REGISTERED OFFICE:

Unit 5a Limeoak Way
St Annes Industrial Estate
Stockton-on-Tees
TS18 2LS

REGISTERED NUMBER:

01777602 (England and Wales)

AUDITORS:

Davies Tracey
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

The directors present their strategic report for the year ended 31 December 2018.

REVIEW OF BUSINESS

The principal activities of the company are design and manufacture of Aluminium Bi-folding doors, Aluminium Roof Lanterns and Global Conservatory roof systems to trade partners nationally under the trading name of 'Made For Trade' and the Korniche brand.

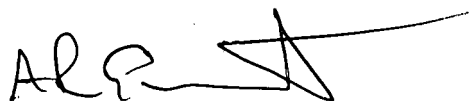
Under these products the companies business continues to grow, with turnover increasing in the year by almost £6.7m (or 54%) to £19.2m. The gross margin for the company also increased from 25% to 31%. The net effect of the rise in turnover was an increase in gross profits of £3.0m to £6.0m. To achieve this growth and prepare for further expansion the company spent an extra £845,000 on overheads which rose to £2.3m. The net effect of the increases in gross profit and overheads was an increase to in profits before tax of £2.1 to £3.7m.

After deducting a tax charge of £660,000 and paying dividends of £668,000, the company retained profits of £2.3m and so net assets increased by this amount to £4.2m. Cash rose by £2.8m. and net current assets rose by £1.9m to stand at £4.4m and £2.9m, respectively, at balance sheet date.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors expect that the company will continue to trade profitably for the foreseeable future, There are risks of the uncertainty surrounding Brexit creating concerns to end user confidence and with a significant amount of Aluminium extruded profile now sourced from the EU, used in the production of Bi-folding doors, Roof Lanterns and Conservatory roofs carry a risk of foreign exchange variations which the company believes it can manage.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A R Gaunt', followed by a long horizontal line that ends in a small loop.

A R Gaunt - Director

15 August 2019

The directors present their report with the financial statements of the company for the year ended 31 December 2018.

DIVIDENDS

Interim dividends totalling £668,000 were declared during the year. The directors recommend that no final dividend be paid.

RESEARCH AND DEVELOPMENT

Continuous product design is at the heart of the business.

FUTURE DEVELOPMENTS

2018 saw many milestones reached. The in house designed Korniche Aluminium Roof Lantern has really taken off with sales increasing week on week during the year and continues at the same rate of growth to date, aggressive in house marketing has placed the product at the forefront of the market that has many avenues to the end user. Sales of the Smart Aluminium Bi-folding door continues to grow extensively in an already competitive market place and the Global Aluminium conservatory roof has held its own in a declining market for Glazed Conservatories.

The company is developing and designing new products so has continued to expand the engineering and design department resulting in unveiling a new aluminium Bi-folding door under the Korniche brand to the market recently at the annual Glazing industry trade show 'Fit' at the NEC in Birmingham. The new door featuring completely new innovations (5 patent Pending Applications applied for) was very well received. It is anticipated that this new door will be launched in later half of 2019.

With the growth in turnover more factory space was required so a further 110,000 sq ft has been committed to at Wynyard Business Park, situated to the north of Teesside on the busy A19 motorway. The new space will house the new and existing bi-Folding door manufacture which will greatly improve our nationwide distribution. This new space will become the companies head office with all administrative staff re-locating to the new offices in August 2019.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

A R Gaunt
B Gaunt
Mrs C L Gaunt

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'A R Gaunt', with a long horizontal stroke extending to the right.

A R Gaunt - Director

15 August 2019

Opinion

We have audited the financial statements of Aanco (UK) Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

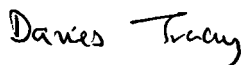
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Other matters which we are required to address

In the previous accounting period the directors of the company took advantage of audit exemption under s477 of the Companies Act. Therefore, the prior period financial statements were not subject to audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Neasham (Senior Statutory Auditor)
for and on behalf of Davies Tracey
Swan House
Westpoint Road
Teesdale Business Park
Stockton on Tees
TS17 6BP

15 August 2019

Aanco (UK) Limited

**Statement of Comprehensive Income
for the Year Ended 31 December 2018**

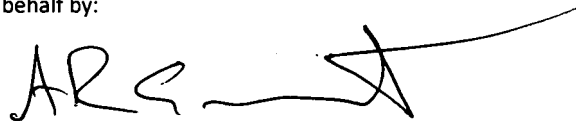
		2018	2017
	Notes	£	£
TURNOVER		19,210,410	12,446,569
Other operating income		137,559	83,533
		19,347,969	12,530,102
Raw materials and consumables		10,821,845	7,697,673
		8,526,124	4,832,429
Staff costs	3	2,591,579	1,891,812
Depreciation		279,763	199,422
Other operating expenses		1,959,308	1,168,584
		4,830,650	3,259,818
		3,695,474	1,572,611
Interest receivable and similar income		3,302	259
		3,698,776	1,572,870
Interest payable and similar expenses	4	30,131	26,733
PROFIT BEFORE TAXATION	5	3,668,645	1,546,137
Tax on profit	6	659,817	272,193
PROFIT FOR THE FINANCIAL YEAR		3,008,828	1,273,944
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,008,828	1,273,944

The notes form part of these financial statements

Balance Sheet
31 December 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	8	112,157	61,465
Tangible assets	9	1,727,595	1,420,534
		<u>1,839,752</u>	<u>1,481,999</u>
CURRENT ASSETS			
Stocks	10	1,553,722	1,086,415
Debtors	11	1,002,171	575,482
Cash at bank and in hand		4,393,779	1,576,857
		<u>6,949,672</u>	<u>3,238,754</u>
CREDITORS			
Amounts falling due within one year	12	4,040,908	2,278,205
NET CURRENT ASSETS		<u>2,908,764</u>	<u>960,549</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,748,516</u>	<u>2,442,548</u>
CREDITORS			
Amounts falling due after more than one year	13	(423,083)	(467,999)
PROVISIONS FOR LIABILITIES	17	(118,842)	(108,786)
NET ASSETS		<u>4,206,591</u>	<u>1,865,763</u>
CAPITAL AND RESERVES			
Allotted, called up and fully paid share capital	18	20,000	20,000
Retained earnings	19	4,186,591	1,845,763
SHAREHOLDERS' FUNDS		<u>4,206,591</u>	<u>1,865,763</u>

The financial statements were approved and authorised for issue by the Board of Directors on 15 August 2019 and were signed on its behalf by:



A R Gaunt - Director

Aanco (UK) Limited**Statement of Changes in Equity
for the Year Ended 31 December 2018**

	Allotted, called up and fully paid share £	Retained earnings £	Total equity £
Balance at 1 January 2017	20,000	899,819	919,819
Changes in equity			
Profit for the year	-	1,273,944	1,273,944
Total comprehensive income	-	1,273,944	1,273,944
Dividends	-	(328,000)	(328,000)
Balance at 31 December 2017	20,000	1,845,763	1,865,763
Changes in equity			
Profit for the year	-	3,008,828	3,008,828
Total comprehensive income	-	3,008,828	3,008,828
Dividends	-	(668,000)	(668,000)
Balance at 31 December 2018	20,000	4,186,591	4,206,591

The notes form part of these financial statements

Aanco (UK) Limited

**Cash Flow Statement
for the Year Ended 31 December 2018**

		2018	2017
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	4,374,009	1,639,925
Interest paid		(7,345)	(7,251)
Interest element of hire purchase payments paid		(22,786)	(19,482)
Tax paid		(219,753)	(121,985)
Net cash from operating activities		4,124,125	1,491,207
Cash flows from investing activities			
Purchase of intangible fixed assets		(54,729)	(61,465)
Purchase of tangible fixed assets		(321,432)	(333,649)
Sale of tangible fixed assets		2,125	-
Interest received		3,302	259
Net cash from investing activities		(370,734)	(394,855)
Cash flows from financing activities			
Loan repayments in year		(22,505)	(22,392)
Capital repayments in year		(245,964)	(141,982)
Equity dividends paid		(668,000)	(328,000)
Net cash from financing activities		(936,469)	(492,374)
Increase in cash and cash equivalents		2,816,922	603,978
Cash and cash equivalents at beginning of year	2	1,576,857	972,879
Cash and cash equivalents at end of year	2	4,393,779	1,576,857

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2018

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

	2018	2017
	£	£
Profit before taxation	3,668,645	1,546,137
Depreciation charges	281,888	199,422
Profit on disposal of fixed assets	(2,125)	-
Finance costs	30,131	26,733
Finance income	(3,302)	(259)
	<u>3,975,237</u>	<u>1,772,033</u>
Increase in stocks	(467,307)	(421,907)
Increase in trade and other debtors	(426,689)	(123,573)
Increase in trade and other creditors	<u>1,292,768</u>	<u>413,372</u>
Cash generated from operations	<u>4,374,009</u>	<u>1,639,925</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2018

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	<u>4,393,779</u>	<u>1,576,857</u>

Year ended 31 December 2017

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	<u>1,576,857</u>	<u>972,879</u>

1. **STATUTORY INFORMATION**

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

The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £1.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Turnover

The company's turnover represents the value of goods and services supplied to customers during the year, exclusive of value added tax.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

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

Freehold property	- 2% on cost on buildings
Short leasehold land & buildings	- in accordance with the lease
Showsite	- 10% - 20% on cost
Plant and machinery	- 15% on cost
Motor vehicles	- 20% on cost
Office Equipment	- 15% - 33% on cost

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Stocks

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

Cost is calculated on a first-in, first-out basis.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

2. ACCOUNTING POLICIES - continued**Deferred taxation**

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

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

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

Research and development

Research and development expenditure is charged to the profit and loss account as incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

Pension costs

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

Operating leases

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

3. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	2,368,992	1,697,259
Social security costs	185,950	143,877
Other pension costs	36,637	50,676
	<u>2,591,579</u>	<u>1,891,812</u>

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

	2018	2017
Production	79	60
Administration	40	30
Directors	3	3
	<u>122</u>	<u>93</u>

	2018 £	2017 £
Directors' remuneration	25,823	25,680
Directors' pension contributions to money purchase schemes	<u>10,000</u>	<u>40,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

3. EMPLOYEES AND DIRECTORS - continued

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

4. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank loan interest	7,345	7,251
Hire purchase interest	<u>22,786</u>	<u>19,482</u>
	<u>30,131</u>	<u>26,733</u>

5. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	2018	2017
	£	£
Hire of plant and machinery	3,407	1,439
Other operating leases	141,442	99,502
Depreciation - owned assets	147,948	96,703
Depreciation - assets on hire purchase contracts	129,903	102,719
Profit on disposal of fixed assets	(2,125)	-
Computer software amortisation	4,037	-
Auditors' remuneration	3,000	-
Foreign exchange differences	<u>5,814</u>	<u>-</u>

6. TAXATION

Analysis of the tax charge

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

	2018	2017
	£	£
Current tax:		
UK corporation tax	690,900	281,881
Over provision in prior year	<u>(41,139)</u>	<u>(27,891)</u>
Total current tax	649,761	253,990
Deferred tax	<u>10,056</u>	<u>18,203</u>
Tax on profit	<u>659,817</u>	<u>272,193</u>

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £	2017 £
Profit before tax	<u>3,668,645</u>	<u>1,546,137</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.247%)	697,043	297,585
Effects of:		
Expenses not deductible for tax purposes	3,913	2,499
Adjustments to tax charge in respect of previous periods	<u>(41,139)</u>	<u>(27,891)</u>
Total tax charge	<u>659,817</u>	<u>272,193</u>

7. DIVIDENDS

	2018 £	2017 £
Ordinary shares of £1 each		
Interim dividends	<u>668,000</u>	<u>328,000</u>

8. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 January 2018	61,465
Additions	<u>54,729</u>
At 31 December 2018	<u>116,194</u>
AMORTISATION	
Amortisation for year	<u>4,037</u>
At 31 December 2018	<u>4,037</u>
NET BOOK VALUE	
At 31 December 2018	<u>112,157</u>
At 31 December 2017	<u>61,465</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2018

9. TANGIBLE FIXED ASSETS

	Freehold property £	Short leasehold land & buildings £	Showsite £
COST			
At 1 January 2018	522,991	77,365	40,733
Additions	-	38,606	-
At 31 December 2018	522,991	115,971	40,733
DEPRECIATION			
At 1 January 2018	9,713	66,453	40,733
Charge for year	10,460	9,372	-
Eliminated on disposal	-	-	-
At 31 December 2018	20,173	75,825	40,733
NET BOOK VALUE			
At 31 December 2018	502,818	40,146	-
At 31 December 2017	513,278	10,912	-

	Plant and machinery £	Motor vehicles £	Office Equipment £	Totals £
COST				
At 1 January 2018	906,162	282,627	185,737	2,015,615
Additions	323,274	177,180	45,852	584,912
Disposals	-	(27,212)	-	(27,212)
At 31 December 2018	1,229,436	432,595	231,589	2,573,315
DEPRECIATION				
At 1 January 2018	275,807	103,978	98,397	595,081
Charge for year	147,157	67,965	42,897	277,851
Eliminated on disposal	-	(27,212)	-	(27,212)
At 31 December 2018	422,964	144,731	141,294	845,720
NET BOOK VALUE				
At 31 December 2018	806,472	287,864	90,295	1,727,595
At 31 December 2017	630,355	178,649	87,340	1,420,534

The net book value of tangible fixed assets includes £630,326 (2017 - £568,552) in respect of assets held under hire purchase contracts.

10. STOCKS

	2018 £	2017 £
Raw materials and goods ready for sale	1,553,722	1,086,415

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade debtors	886,681	438,075
Other debtors	57,077	99,884
Directors' current accounts	2,098	-
Prepayments and accrued income	56,315	37,523
	<u>1,002,171</u>	<u>575,482</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Bank loans and overdrafts (see note 14)	22,407	21,437
Hire purchase contracts (see note 15)	189,495	150,538
Trade creditors	2,352,942	1,452,052
Tax	690,900	260,892
Taxation and social security	494,253	196,046
Other creditors	227,937	175,227
Accruals and deferred income	62,974	22,013
	<u>4,040,908</u>	<u>2,278,205</u>

Bank loan terms of repayment are £2,470 per month and interest is payable at 3% per annum over the Bank of England Base Rate. In any event the loan will be repaid in full by the end of the term of 10 years.

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

	2018	2017
	£	£
Bank loans (see note 14)	164,282	187,757
Hire purchase contracts (see note 15)	258,801	280,242
	<u>423,083</u>	<u>467,999</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>22,407</u>	<u>21,437</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>102,508</u>	<u>99,004</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans over 5 years	<u>61,774</u>	<u>88,753</u>

15. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Gross obligations repayable:		
Within one year	205,349	168,481
Between one and five years	271,129	302,386
	<u>476,478</u>	<u>470,867</u>
Finance charges repayable:		
Within one year	15,854	17,943
Between one and five years	12,328	22,144
	<u>28,182</u>	<u>40,087</u>
Net obligations repayable:		
Within one year	189,495	150,538
Between one and five years	258,801	280,242
	<u>448,296</u>	<u>430,780</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	2018 £	2017 £
Bank loans	186,689	209,194
Hire purchase contracts	448,296	430,780
	<u>634,985</u>	<u>639,974</u>

Bank loans and overdrafts are secured by way of a charge over the assets of the company. Hire purchase liabilities are secured on the assets to which they relate.

17. PROVISIONS FOR LIABILITIES

	2018 £	2017 £
Deferred tax		
Accelerated capital allowances	119,962	109,786
Other timing differences	(1,120)	(1,000)
	<u>118,842</u>	<u>108,786</u>
		Deferred tax £
Balance at 1 January 2018		108,786
Charge to Statement of Comprehensive Income during year		10,056
Balance at 31 December 2018		<u>118,842</u>

18. ALLOTTED, CALLED UP AND FULLY PAID SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2018	2017
Number:	Class:		£	£
20,000	Ordinary	£1	<u>20,000</u>	<u>20,000</u>

19. RESERVES

	Retained earnings £
At 1 January 2018	1,845,763
Profit for the year	3,008,828
Dividends	(668,000)
At 31 December 2018	<u>4,186,591</u>

20. CONTINGENT LIABILITIES

The company guarantees its products for up to ten years. Rectification work is considered to be an ongoing charge but the company accepts that it has contingent liability to carry out this work. The value of this liability cannot be ascertained with any accuracy but the company's past experience of rectification work indicates that it will not be material to the reading of these financial statements and therefore no provision has been made.

21. CAPITAL COMMITMENTS

	2018 £	2017 £
Contracted but not provided for in the financial statements	<u>248,737</u>	<u>115,047</u>

22. OTHER FINANCIAL COMMITMENTS

Future minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Obligations payable:		
Within one year	99,500	115,500
Between one and five years	131,333	204,250
	<u>230,833</u>	<u>319,750</u>

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

During the year the company made advances to directors of £3,467 and £1,369 was repaid by the directors (2017 - £Nil and £143,874 respectively). All amounts were interest free and repayable on demand.

24. RELATED PARTY TRANSACTIONS

Entities with control, joint control or significant influence over the entity

	2018	2017
	£	£
Dividends	668,000	328,000
Amount due from related party	2,098	-
Amount due to related party	-	457

Other related parties

	2018	2017
	£	£
Purchases	149,703	22,335
Amount due to related party	-	3,333

Key management personnel compensation in the year totalled £150,620 (2017 - £121,346).