

**REGISTERED NUMBER: 03729141**

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018  
FOR  
ASTRASEAL (HOLDINGS) LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2018**

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**ASTRASEAL (HOLDINGS) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2018**

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<b>DIRECTORS:</b>	A McKeown M McMullan M A Naylor R Essam C Stanley
<b>SECRETARY:</b>	M A Naylor
<b>REGISTERED OFFICE:</b>	Astraseal House Paterson Road Finedon Road Industrial Estate Wellingborough Northamptonshire NN8 4EX
<b>REGISTERED NUMBER:</b>	03729141
<b>AUDITORS:</b>	DNG Dove Naish Chartered Accountants and Statutory Auditor Eagle House 28 Billing Road Northampton Northamptonshire NN1 5AJ
<b>BANKERS:</b>	Barclays Corporate 22-24 Upper Marlborough Road St Albans Hertfordshire AL1 3AL

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their strategic report of the company and the group for the year ended 31 March 2018.

**REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

Following on from the last financial year, the Directors are pleased to report the increase in Supply only operations of 18% in 2017 has been sustained and further increased by 2.1% . Turnover was £5,195,849 and now equates to 26.5% of the overall sales figure of £19,570,328. Commercial turnover and domestic turnover reversed the trend of last year and increased and decreased by 10% respectively with Commercial rising to £11,101,403. Overall the Company attained an increase in turnover of 3.9% giving a final figure of £19,570,328.

Material price rises and increased wages costs have eroded gross margin by 1% but the Directors are confident that future expansion by further investment in machinery and continued tight control and management of the manufacturing process will maintain our position in the market . To this end an order was placed within the financial year for £250,000 for plant to be built and installed after the financial year end.

This investment is in addition to the £105,375 for plant and £153,332 for motor vehicles spent during the year reported in these accounts . Proceeds from disposals amounted to £23,625 with the balance being met from funds generated from profits.

Given the increase in turnover albeit at a lower gross margin , the directors are pleased with the net profit before taxation of £1,218,360 representing a return of 6.2% (2017: 6.4%) of turnover and are confident that the company has the financial stability and operational controls to achieve its budgeted targets in future years.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties facing the group relate primarily to challenging market conditions in a price driven market where quality is still a key factor. In addition, material costs across the industry are rising. To address this we are increasing both our product range and number of suppliers to develop products across all sectors.

**SIGNED BY ORDER OF THE DIRECTORS:**

M A Naylor - Secretary

19 December 2018

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

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

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of the manufacture and installation of UPVC windows, doors, conservatories and the retailing of associated products to the industry.

**DIVIDENDS**

Dividends of £646,832 were paid during the year ended 31 March 2018.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

A McKeown  
M McMullan  
M A Naylor  
R Essam  
C Stanley

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Group 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). 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**AUDITORS**

The auditors, DNG Dove Naish, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**SIGNED BY ORDER OF THE DIRECTORS:**

M A Naylor - Secretary

19 December 2018

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASTRASEAL (HOLDINGS) LIMITED**

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### **Opinion**

We have audited the financial statements of Astraseal (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 group's and of the parent company affairs as at 31 March 2018 and of the group's 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 group 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 group'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 Group 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.

### **Opinion 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 Group 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 Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASTRASEAL (HOLDINGS) LIMITED**

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

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 group's and the parent 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 group or the parent 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **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.

Andrew Clifford (Senior Statutory Auditor)  
for and on behalf of DNG Dove Naish  
Chartered Accountants  
and Statutory Auditor  
Eagle House  
28 Billing Road  
Northampton  
Northamptonshire  
NN1 5AJ

20 December 2018



**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2018**

		2018	2017
	Notes	£	£
<b>TURNOVER</b>	3	19,570,328	18,837,324
Cost of sales		16,106,681	15,244,130
<b>GROSS PROFIT</b>		<u>3,463,647</u>	<u>3,593,194</u>
Distribution costs		829,349	850,633
Administrative expenses		<u>1,375,826</u>	<u>1,486,753</u>
		2,205,175	2,337,386
<b>OPERATING PROFIT</b>	5	<u>1,258,472</u>	<u>1,255,808</u>
Interest receivable and similar income	6	1,233	4,934
		<u>1,259,705</u>	<u>1,260,742</u>
Interest payable and similar expenses	7	41,374	45,743
<b>PROFIT BEFORE TAXATION</b>		<u>1,218,331</u>	<u>1,214,999</u>
Tax on profit	8	236,778	254,696
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>981,553</u>	<u>960,303</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
Deferred tax movement on revalued property		6,902	6,289
Income tax relating to other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<u>6,902</u>	<u>6,289</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>988,455</u>	<u>966,592</u>
Profit attributable to: Owners of the parent		<u>981,553</u>	<u>960,303</u>
Total comprehensive income attributable to: Owners of the parent		<u>988,455</u>	<u>966,592</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2018**

		2018	2017
	Notes	£	£
<b>FIXED ASSETS</b>			
Intangible assets	12	1	1
Tangible assets	13	4,733,738	4,782,781
Investments	14	-	-
		<u>4,733,739</u>	<u>4,782,782</u>
<b>CURRENT ASSETS</b>			
Stocks	15	878,329	794,358
Debtors	16	5,486,200	4,951,279
Cash at bank and in hand		<u>1,881,854</u>	<u>2,198,963</u>
		8,246,383	7,944,600
<b>CREDITORS</b>			
Amounts falling due within one year	17	<u>2,874,826</u>	<u>3,217,308</u>
<b>NET CURRENT ASSETS</b>		<u>5,371,557</u>	<u>4,727,292</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,105,296	9,510,074
<b>CREDITORS</b>			
Amounts falling due after more than one year	18	(1,777,715)	(1,522,240)
<b>PROVISIONS FOR LIABILITIES</b>	22	<u>(182,996)</u>	<u>(184,872)</u>
<b>NET ASSETS</b>		<u>8,144,585</u>	<u>7,802,962</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	23	72,000	72,000
Share premium	24	530,000	530,000
Revaluation reserve	24	1,132,264	1,136,962
Capital redemption reserve	24	28,000	28,000
Retained earnings	24	<u>6,382,321</u>	<u>6,036,000</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>8,144,585</u>	<u>7,802,962</u>

The financial statements were approved by the Board of Directors on 19 December 2018 and were signed on its behalf by:

M A Naylor - Director

A McKeown - Director

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2018**

		2018		2017	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	12	-	-	-	-
Tangible assets	13	-	-	-	-
Investments	14	1,128,000	1,128,000	1,128,000	1,128,000
		<u>1,128,000</u>		<u>1,128,000</u>	
<b>CURRENT ASSETS</b>					
Cash at bank		529		559	
<b>CREDITORS</b>					
Amounts falling due within one year	17	<u>23,923</u>	<u>23,923</u>	<u>23,923</u>	<u>(23,364)</u>
<b>NET CURRENT LIABILITIES</b>			(23,394)		(23,364)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,104,606</u>		<u>1,104,636</u>	
<b>CAPITAL AND RESERVES</b>					
Called up share capital	23	72,000		72,000	
Share premium	24	530,000		530,000	
Capital redemption reserve	24	28,000		28,000	
Retained earnings	24	474,606		474,636	
<b>SHAREHOLDERS' FUNDS</b>		<u>1,104,606</u>		<u>1,104,636</u>	
Company's profit for the financial year		<u>646,802</u>		<u>710,531</u>	

The financial statements were approved by the Board of Directors on 19 December 2018 and were signed on its behalf by:

M A Naylor - Director

A McKeown - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £	Retained earnings £	Share premium £
<b>Balance at 1 April 2016</b>	72,000	5,774,658	530,000
<b>Changes in equity</b>			
Dividends	-	(710,561)	-
Total comprehensive income	-	971,903	-
<b>Balance at 31 March 2017</b>	<u>72,000</u>	<u>6,036,000</u>	<u>530,000</u>
<b>Changes in equity</b>			
Dividends	-	(646,832)	-
Total comprehensive income	-	993,153	-
<b>Balance at 31 March 2018</b>	<u>72,000</u>	<u>6,382,321</u>	<u>530,000</u>
	Revaluation reserve £	Capital redemption reserve £	Total equity £
<b>Balance at 1 April 2016</b>	1,142,273	28,000	7,546,931
<b>Changes in equity</b>			
Dividends	-	-	(710,561)
Total comprehensive income	(5,311)	-	966,592
<b>Balance at 31 March 2017</b>	<u>1,136,962</u>	<u>28,000</u>	<u>7,802,962</u>
<b>Changes in equity</b>			
Dividends	-	-	(646,832)
Total comprehensive income	(4,698)	-	988,455
<b>Balance at 31 March 2018</b>	<u>1,132,264</u>	<u>28,000</u>	<u>8,144,585</u>

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2018**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 April 2016</b>	72,000	474,666	530,000	28,000	1,104,666
<b>Changes in equity</b>					
Dividends	-	(710,561)	-	-	(710,561)
Total comprehensive income	-	710,531	-	-	710,531
<b>Balance at 31 March 2017</b>	72,000	474,636	530,000	28,000	1,104,636
<b>Changes in equity</b>					
Dividends	-	(646,832)	-	-	(646,832)
Total comprehensive income	-	646,802	-	-	646,802
<b>Balance at 31 March 2018</b>	72,000	474,606	530,000	28,000	1,104,606

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	602,591	2,243,708
Interest paid		(41,374)	(43,172)
Interest element of hire purchase or finance lease rental payments paid		-	(2,571)
Tax paid		(230,300)	(180,267)
Net cash from operating activities		<u>330,917</u>	<u>2,017,698</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(258,707)	(404,423)
Sale of tangible fixed assets		23,625	15,750
Interest received		1,233	4,934
Net cash from investing activities		<u>(233,849)</u>	<u>(383,739)</u>
<b>Cash flows from financing activities</b>			
New loans in year		1,950,000	-
Loan repayments in year		(1,717,345)	(254,377)
Capital repayments in year		-	(17,233)
Equity dividends paid		(646,832)	(710,561)
Net cash from financing activities		<u>(414,177)</u>	<u>(982,171)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(317,109)</u>	<u>651,788</u>
<b>Cash and cash equivalents at beginning of year</b>	2	2,198,963	1,547,175
<b>Cash and cash equivalents at end of year</b>	2	<u>1,881,854</u>	<u>2,198,963</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2018**

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

	2018 £	2017 £
Profit before taxation	1,218,331	1,214,999
Depreciation charges	284,529	260,165
Loss/(profit) on disposal of fixed assets	64	(4,071)
Finance costs	41,374	45,743
Finance income	(1,233)	(4,934)
	<u>1,543,065</u>	<u>1,511,902</u>
Increase in stocks	(83,971)	(148,598)
(Increase)/decrease in trade and other debtors	(534,921)	301,589
(Decrease)/increase in trade and other creditors	<u>(321,582)</u>	<u>578,815</u>
<b>Cash generated from operations</b>	<u><u>602,591</u></u>	<u><u>2,243,708</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

**Year ended 31 March 2018**

	31/3/18 £	1/4/17 £
Cash and cash equivalents	<u>1,881,854</u>	<u>2,198,963</u>

**Year ended 31 March 2017**

	31/3/17 £	1/4/16 £
Cash and cash equivalents	<u>2,198,963</u>	<u>1,547,175</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2018**

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**1. STATUTORY INFORMATION**

Astraseal (Holdings) 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.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

Astraseal (Holdings) 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 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 Company has taken advantage of transitional arrangements under FRS 102 to use the revalued amount of fixed assets as the deemed cost carried forward.

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

**Significant judgements and estimates**

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed within the individual accounting policies below.

**Turnover**

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

Turnover is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Goodwill**

Purchased goodwill which is generated by the activities of the group is recognised as an asset in the balance sheet.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Trademarks and goodwill 25% on cost



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

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**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Plant and machinery	- 12.5% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 12.5% and 20% on cost

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date. The selection of these residual values and estimated lives requires the exercise of judgement. The directors are required to assess whether there is an indication of impairment to the carrying value of assets. In making that assessment, judgements are made in estimating value in use. The directors consider that the individual carrying values of assets are supportable by their value in use.

**Stocks**

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

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

A general stock provision of 10% of the raw materials stock held, excluding glass stock, is included in the year end valuation. This reflects levels of spare parts held which in the opinion of the director's have no re-sale value.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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 statement of financial position date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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**

Expenditure on research and development is written off in the year in which it is incurred.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**2. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

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

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

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

The group agrees to pay, for eligible employees, a defined contribution into the employee's own personal pension scheme under the governments auto enrolment scheme.

The pension charge represents contributions payable by the group for the year. The company's liability is limited to the amount of the contribution.

**Financial instruments**

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less.

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 statement of comprehensive income under administrative expenses.

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

**3. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2018	2017
	£	£
Sale of goods	19,570,328	18,837,324
	<u>19,570,328</u>	<u>18,837,324</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018**

**4. EMPLOYEES AND DIRECTORS**

	2018 £	2017 £
Wages and salaries	4,647,417	4,611,115
Social security costs	400,010	406,938
Other pension costs	43,985	43,001
	<u>5,091,412</u>	<u>5,061,054</u>

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

	2018	2017
Production and sales	146	150
Office and management	51	43
	<u>197</u>	<u>193</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 197 (2017 - 193) .

During the year, key management personnel were paid £375,489 (2017: £392,353).

	2018 £	2017 £
Directors' remuneration	360,970	378,500
Directors' pension contributions to money purchase schemes	<u>14,519</u>	<u>13,853</u>

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

Money purchase schemes	<u>4</u>	<u>4</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2018 £	2017 £
Emoluments etc	114,218	128,011
Pension contributions to money purchase schemes	<u>4,705</u>	<u>4,335</u>

**5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2018 £	2017 £
Depreciation - owned assets	283,191	260,165
Loss/(profit) on disposal of fixed assets	64	(4,071)
Auditors' remuneration	14,500	14,000
Auditors' remuneration for non audit work	<u>9,500</u>	<u>9,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 6. INTEREST RECEIVABLE AND SIMILAR INCOME

	2018	2017
	£	£
Deposit account interest	<u>1,233</u>	<u>4,934</u>

## 7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Bank interest	41,374	43,172
Hire purchase	-	2,571
	<u>41,374</u>	<u>45,743</u>

## 8. 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	231,752	230,300
Deferred tax	5,026	24,396
Tax on profit	<u>236,778</u>	<u>254,696</u>

**Reconciliation of total tax charge included in profit and loss**

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

	2018	2017
	£	£
Profit before tax	<u>1,218,331</u>	<u>1,214,999</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2017 - 20 %)	231,483	243,000
Effects of:		
Expenses not deductible for tax purposes current year	5,289	11,690
Loss created	6	6
Total tax charge	<u>236,778</u>	<u>254,696</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

8. **TAXATION - continued**

**Tax effects relating to effects of other comprehensive income**

		2018	
	Gross £	Tax £	Net £
Deferred tax movement on revalued property	6,902	-	6,902
	<u>6,902</u>	<u>-</u>	<u>6,902</u>
		2017	
	Gross £	Tax £	Net £
Deferred tax movement on revalued property	6,289	-	6,289
	<u>6,289</u>	<u>-</u>	<u>6,289</u>

9. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

10. **DIVIDENDS**

	2018 £	2017 £
Ordinary Class B shares of £1 each Interim	<u>646,832</u>	<u>710,561</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 11. SUBSIDIARIES

The company's subsidiary undertakings are stated as follows:

	<b>Graham Holmes Astraseal Limited</b>	<b>Win-dor Limited</b>	<b>M S Building Services Limited</b>
Country of Incorporation	England & Wales	England & Wales	England & Wales
Class of shares	Ordinary shares of £1 each	Ordinary shares of £1 each	Ordinary shares of £1 each
Holding	1,000	-	-
Cost	£1,128,000	-	-
Proportion held	100%	-	-
Nature of business	Manufacture and sales of UPVC windows and doors	Dormant	Dormant

The following sub-group structures give rise to the above indirect holdings :

Graham Holmes Astraseal Limited owns 100% (150 shares) of Class A shares and 100% (62,790 shares) of Class B shares in Wind-dor Limited (Aggregate capital and reserves £80,491) and also owns 100% (150 shares) of the ordinary shares in M. S Building Services Limited (Aggregate capital and reserves £150).

## 12. INTANGIBLE FIXED ASSETS

## Group

	Goodwill £
<b>COST</b>	
At 1 April 2017 and 31 March 2018	<u>4,999</u>
<b>AMORTISATION</b>	
At 1 April 2017 and 31 March 2018	<u>4,998</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>1</u>
At 31 March 2017	<u>1</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 13. TANGIBLE FIXED ASSETS

## Group

	Freehold property £	Long leasehold £	Plant and machinery £
<b>COST</b>			
At 1 April 2017	3,593,408	802,061	4,113,561
Additions	-	-	105,375
Disposals	-	-	(122,274)
At 31 March 2018	<u>3,593,408</u>	<u>802,061</u>	<u>4,096,662</u>
<b>DEPRECIATION</b>			
At 1 April 2017	494,822	171,629	3,668,573
Charge for year	43,476	12,592	92,370
Eliminated on disposal	-	-	(118,075)
At 31 March 2018	<u>538,298</u>	<u>184,221</u>	<u>3,642,868</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>3,055,110</u>	<u>617,840</u>	<u>453,794</u>
At 31 March 2017	<u>3,098,586</u>	<u>630,432</u>	<u>444,988</u>
	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 April 2017	63,244	1,211,301	9,783,575
Additions	-	153,332	258,707
Disposals	-	(54,329)	(176,603)
At 31 March 2018	<u>63,244</u>	<u>1,310,304</u>	<u>9,865,679</u>
<b>DEPRECIATION</b>			
At 1 April 2017	63,244	602,526	5,000,794
Charge for year	-	134,753	283,191
Eliminated on disposal	-	(33,969)	(152,044)
At 31 March 2018	<u>63,244</u>	<u>703,310</u>	<u>5,131,941</u>
<b>NET BOOK VALUE</b>			
At 31 March 2018	<u>-</u>	<u>606,994</u>	<u>4,733,738</u>
At 31 March 2017	<u>-</u>	<u>608,775</u>	<u>4,782,781</u>

Included in cost of land and buildings is freehold land of £1,209,634 (2017 - £1,209,634) which is not depreciated.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

## 13. TANGIBLE FIXED ASSETS - continued

**Group**

Freehold land and buildings were revalued on an open market basis in 2011 by Kirky Diamond. From 1 April 2014, the group has decided to adopt the transitional provisions available under FRS 102 and the revalued amount will be used as the deemed cost going forward.

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	£	£	2018	2017
Cost			<u>2,427,269</u>	<u>2,427,269</u>
Aggregate depreciation			<u>746,207</u>	<u>717,601</u>
Value of land in freehold land and buildings			<u>833,492</u>	<u>833,492</u>

## 14. FIXED ASSET INVESTMENTS

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 April 2017 and 31 March 2018	<u>1,128,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2018	<u>1,128,000</u>
At 31 March 2017	<u>1,128,000</u>

## 15. STOCKS

	<b>Group</b>	
	2018 £	2017 £
Raw materials	<u>878,329</u>	<u>794,358</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2018	2017
	£	£
Trade debtors	4,251,918	3,936,776
Other debtors	708,508	550,353
Prepayments and accrued income	525,774	464,150
	<u>5,486,200</u>	<u>4,951,279</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 19)	172,285	195,105	-	-
Trade creditors	1,621,367	1,919,489	-	-
Tax	231,752	230,300	-	-
Social security and other taxes	149,934	153,229	-	-
VAT	359,555	319,390	-	-
Proposed dividends	23,923	23,923	23,923	23,923
Other creditors	42,612	35,817	-	-
Accruals and deferred income	273,398	340,055	-	-
	<u>2,874,826</u>	<u>3,217,308</u>	<u>23,923</u>	<u>23,923</u>

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

	Group	
	2018	2017
	£	£
Bank loans (see note 19)	<u>1,777,715</u>	<u>1,522,240</u>

19. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>172,285</u>	<u>195,105</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>176,592</u>	<u>199,983</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>1,601,123</u>	<u>1,322,257</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2018

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

**Group**

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	12,974	14,290
Between one and five years	<u>25,421</u>	<u>38,395</u>
	<u>38,395</u>	<u>52,685</u>

21. SECURED DEBTS

The following secured debts are included within creditors:

	<b>Group</b>	
	2018	2017
	£	£
Bank loans	<u>1,950,000</u>	<u>1,717,345</u>

The bank loans are secured by a legal charge over the group's land and buildings which have a net book value of £3,189,171.

In 2015 the company renegotiated the bank loans. Repayments of £55,259, comprising both interest and capital repayments, are payable quarterly. The interest rate is set at 2.0% above the Barclays Bank base rate.

22. PROVISIONS FOR LIABILITIES

	<b>Group</b>	
	2018	2017
	£	£
Deferred tax	<u>182,996</u>	<u>184,872</u>
<b>Group</b>		
		Deferred tax
		£
Balance at 1 April 2017		184,872
Provided during year		(1,876)
Balance at 31 March 2018		<u>182,996</u>

23. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2018	2017
			£	£
72,000	Ordinary Class B	£1	<u>72,000</u>	<u>72,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2018**

**24. RESERVES**

**Group**

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1 April 2017	6,036,000	530,000	1,136,962	28,000	7,730,962
Profit for the year	981,553				981,553
Dividends	(646,832)				(646,832)
Movement in year	11,600	-	(4,698)	-	6,902
At 31 March 2018	<u>6,382,321</u>	<u>530,000</u>	<u>1,132,264</u>	<u>28,000</u>	<u>8,072,585</u>

**Company**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 April 2017	474,636	530,000	28,000	1,032,636
Profit for the year	646,802			646,802
Dividends	(646,832)			(646,832)
At 31 March 2018	<u>474,606</u>	<u>530,000</u>	<u>28,000</u>	<u>1,032,606</u>

**25. PENSION COMMITMENTS**

The pension cost represents contributions of £43,763 (2017: £42,910) paid to the auto enrolment pension scheme and to eligible employees own personal pension schemes.

At the year end there was £4,368 (2017: £4,150) of outstanding pension contributions included within other creditors.

**26. CAPITAL COMMITMENTS**

	2018 £	2017 £
Contracted but not provided for in the financial statements	<u>212,500</u>	<u>33,448</u>

**27. RELATED PARTY DISCLOSURES**

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

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

**28. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is A McKeown.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.