REGISTERED NUMBER: 00775443 (England and Wales)

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Group Strategic Report,

Report of the Directors and

Consolidated Financial Statements

for the Year Ended 31 December 2019

for

Concord Limited

Contents of the Consolidated Financial Statements for the Year Ended 31 December 2019

Company Information
for the Year Ended 31 December 2019

DIRECTORS:	S P Murphy Stratagem Group Limited
SECRETARY:	S P Murphy
REGISTERED OFFICE:	Cardiff House Cardiff Road Barry Vale of Glamorgan CF63 2AW
REGISTERED NUMBER:	00775443 (England and Wales)
AUDITORS:	Mander Duffill Chartered Accountants & Statutory Auditor The Old Post Office 41-43 Market Place Chippenham Wiltshire SN15 3HR

Group Strategic Report for the Year Ended 31 December 2019

The directors present their strategic report of the company and the group for the year ended 31 December 2019.

REVIEW OF BUSINESS

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

This has been an excellent year with operating profits before pension charges exceeding £1 million for the first time since 2014 on the back of continuing sales growth; group sales were up 11% to £20,189,829 (2018: £18,109,770) producing a profit before pension-related charges up to £1,124,908 (2018: £680,124). Order books at the steel foundry have been strong throughout the year and were continuing to grow; technical improvements at the iron foundry and a gradual but accelerating return of confidence among its general engineering customers meant that we could look forward to 2020 with some optimism.

However the global crisis arising from the COVID-19 pandemic, as it affected the UK in mid-March 2020, has had an immediate and serious impact. The UK government's guidelines on "lockdown" and "social distancing" prevented customers and suppliers alike from operating. Along with many UK businesses therefore we had to shut-down production from late March and have had to make use of the various government incentives to keep the businesses going.

A large proportion of the workforce was temporarily laid off as "furloughed workers" with 80% of their costs covered by UK government for several months. Unfortunately under EU State Aid rules the group did not qualify for the Coronavirus Business Interruption Loan but our banker, Barclays, has been very supportive. This support, together with the curtailment of all but essential capital expenditure and the careful management of working capital, has ensured that we have sufficient financial resources to continue trading for the foreseeable future.

Following two years of improvement the group's FRS 102 pension liability has unfortunately increased significantly arising largely from the continuing environment of low bond yields although the reduction in contributions has had an impact as well. The balance sheet liability position is c. £2.4 million higher at £13,349,000 (2018: £10,965,000) or c. £1.7 million higher net of deferred tax. The profit and loss pensions charge however is lower than the prior year largely because the effect of the Lloyds Bank GMP equalisation case has not been repeated.

As mentioned last year the triennial pension scheme valuation as at 5 April 2018 has been concluded and a new Schedule of Contributions with the scheme Trustee is in place which will in the short term greatly reduce the cash outflows to the scheme. However the next triennial valuation will take place as at 5 April 2021 and the impact of COVID-19 on the scheme is likely to be significant which may well feed through into a requirement for higher contributions.

PRINCIPAL RISKS AND UNCERTAINTIES

We manufacture high integrity steel and iron castings for all engineering markets but are focussed on low volume specialist OEMs rather than, for example, the automotive market; extraction industries, power generation, marine, coal mining and offshore, are particular niches for us. We have had some success in broadening our markets and demand has been strong for some time now but there is no guarantee that these conditions will continue.

COVID-19 has created uncertainty around the globe and across all markets causing disruption to both customers and suppliers. While commercial activity is now starting to revive there remains significant risk to our businesses if demand does not return to 2019 levels in a timely manner and suppliers are unable to provide what we need.

Brexit and negotiations about a potential free trade agreement with the EU have taken a back seat because of COVID-19 so the uncertainties surrounding this issue will continue to affect customers and could also lead to lower demand.

Group Strategic Report
for the Year Ended 31 December 2019

KEY PERFORMANCE INDICATORS

The principal indicators to measure the performance at a Group and subsidiary level in the past twelve months are order intake and cash generation. There are very detailed key performance indicators at an operating level and these are monitored accordingly.

DEVELOPMENT

Capital expenditure in 2019 almost matched the previous year as we continued to invest in new plant such as 3D scanners and to replace exhausted machinery with up-to-date cranage, compressors and spectrometers. All this equipment improves our customer offering and we have continued to make inroads into markets other than mining; pumps and valves together with wind-power are now significant areas for us. Despite the global commercial difficulties affecting all of us at the moment we will continue to grow existing and new markets when and where we can albeit our ability to invest has been diminished as we conserve financial resources in the uncertain times.

YEAR END POSITION

Our original expectations for 2020 were for a continuation of the improvements seen in 2019 and for a major capital expenditure program as allowed by the reduction in pension scheme contributions for the year. Strong January and February results confirmed that we were indeed making good progress. However, as we all now know, the global economic outlook changed immeasurably in mid-March with the Government restrictions imposed because of COVID-19.

The current focus of management is ensuring the survival of the business so that we are still here when the commercial environment starts to improve. Government initiatives will be crucial in that process but so will the skills and commitment of our workforce. As we write today though 2020 is likely to be significantly loss-making and any recovery could take a very long time, possibly even years.

ON BEHALF OF THE BOARD:

....
S P Murphy - Director

Date: 28/9/2020

Report of the Directors
for the Year Ended 31 December 2019

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2019.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2019.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

S P Murphy
Stratagem Group Limited

FINANCIAL INSTRUMENTS
The group uses various financial instruments including loans, cash, equity, capital and various items such as trade debtors and creditors that arise directly from its operations. the main purpose of these financial instruments is to raise finance for the group operations.

The directors review and agree policies for managing the financial risks. The existence of these financial instruments exposes the group to a number of financial risks which are described in more detail below.

Market risk
Market risk encompasses three types of risk being price risk, interest rate risk and currency risk.

Price risk
The group operates in a competitive market. If the group does not continue to compete effectively by developing its product range and responding to activities in the market it could lose customers and its results, cash flow and financial conditions could adversely be affected.

Interest rate risk
The group's overdraft and cash at bank incur interest cost or income at market rates and the group is therefore exposed to interest rate risk. The group is also exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The group's policy is to obtain the most favourable interest rates available for its borrowings. The group does not use and derivative instruments to reduce its economic exposure to changes in interest rates.

Foreign currency risk
The group makes purchases from suppliers from a number of suppliers whose invoices are denominated in currencies other than sterling. The most frequently used currencies other than sterling are the Euro and the US Dollar with separate bank accounts being maintained for each with any currency fluctuation being transferred to the profit and loss.

Credit risk
The group's principal current assets are stock and trade debtors. The credit risk associated with cash deposits is limited as the accounts are held with major UK high street banks only. The principal credit risk arises from trade debtors and the group manages closely its exposure to bad debts

Liquidity risk
The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The group policy throughout the year has been to hold cash balances in readily accessible cash deposits.

Report of the Directors
for the Year Ended 31 December 2019

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.

ON BEHALF OF THE BOARD:

SPMurphy

....
S P Murphy - Director

Date: 28/9/2020

Report of the Independent Auditors to the Members of Concord Limited

Opinion
We have audited the financial statements of Concord Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and 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 December 2019 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.

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 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 Concord Limited

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 five, 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. 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.

Mander Duffill

Richard Mander FCA (Senior Statutory Auditor)
for and on behalf of Mander Duffill
Chartered Accountants & Statutory Auditor
The Old Post Office
41-43 Market Place
Chippenham
Wiltshire
SN15 3HR

Date: 29.09.2020

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2019

	Notes	31.12.19 £	31.12.19 £	31.12.18 £	31.12.18 £
TURNOVER	3		20,189,829		18,109,770
Cost of sales			15,363,368		13,823,502
GROSS PROFIT			4,826,461		4,286,268
Administrative expenses			3,669,720		3,570,503
OPERATING PROFIT	5		1,156,741		715,765
Pension - Past service cost	6		-		851,200
			1,156,741		(135,435)
Interest payable and similar expenses	7	31,833		35,641	
Other finance costs	23	696,000		773,000	
			727,833		808,641
PROFIT/(LOSS) BEFORE TAXATION			428,908		(944,076)
Tax on profit/(loss)	8		54,834		(128,940)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR			374,074		(815,136)
OTHER COMPREHENSIVE INCOME					
Actuarial gains			(2,089,000)		2,002,000
Deferred tax movement			396,910		(340,340)
Deferred tax change in rate of tax			219,300		(241,856)
Income tax relating to components of other comprehensive income			-		-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX			(1,472,790)		1,419,804
TOTAL COMPREHENSIVE INCOME FOR THE YEAR			(1,098,716)		604,668
(Loss)/profit attributable to:					
Owners of the parent			374,074		(815,136)
Total comprehensive income attributable to:					
Owners of the parent			(1,098,716)		604,668

The notes form part of these financial statements

Consolidated Balance Sheet
31 December 2019

	Notes	31.12.19 £	31.12.19 £	31.12.18 £	31.12.18 £
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		2,285,654		2,058,176
Investments	12		-		-
			2,285,654		2,058,176
CURRENT ASSETS					
Stocks	13	1,955,034		1,937,351	
Debtors	14	3,992,452		4,119,199	
Cash at bank and in hand		517,267		281,625	
		6,464,753		6,338,175	
CREDITORS					
Amounts falling due within one year	15	4,956,212		5,208,293	
NET CURRENT ASSETS			1,508,541		1,129,882
TOTAL ASSETS LESS CURRENT LIABILITIES			3,794,195		3,188,058
CREDITORS					
Amounts falling due after more than one year	16		(54,357)		(60,921)
PENSION LIABILITY	23		(10,812,367)		(9,100,950)
NET LIABILITIES			(7,072,529)		(5,973,813)
CAPITAL AND RESERVES					
Called up share capital	21		1,969,055		1,969,055
Share premium	22		14,611,202		14,611,202
Revaluation reserve	22		659,215		659,215
Other reserves	22		878,665		878,665
Retained earnings	22		(25,190,666)		(24,091,950)
SHAREHOLDERS' FUNDS			(7,072,529)		(5,973,813)

The financial statements were approved by the Board of Directors and authorised for issue on ...28/9/2020... and were signed on its behalf by:

....
S P Murphy - Director

The notes form part of these financial statements

Concord Limited (Registered number: 00775443)

Company Balance Sheet
31 December 2019

	Notes	31.12.19 £	31.12.19 £	31.12.18 £	31.12.18 £
FIXED ASSETS					
Intangible assets	10		-		-
Tangible assets	11		1,376,400		1,391,200
Investments	12		865,000		865,000
			2,241,400		2,256,200
CURRENT ASSETS					
Debtors	14	24,555		53,910	
Cash at bank		165,054		3,457	
		189,609		57,367	
CREDITORS					
Amounts falling due within one year	15	757,149		707,647	
NET CURRENT LIABILITIES			(567,540)		(650,280)
TOTAL ASSETS LESS CURRENT LIABILITIES			1,673,860		1,605,920
PENSION LIABILITY	23		(10,812,367)		(9,100,950)
NET LIABILITIES			(9,138,507)		(7,495,030)
CAPITAL AND RESERVES					
Called up share capital	21		1,969,055		1,969,055
Share premium	22		14,611,202		14,611,202
Revaluation reserve	22		659,215		659,215
Other reserves	22		878,665		878,665
Retained earnings	22		(27,256,644)		(25,613,167)
SHAREHOLDERS' FUNDS			(9,138,507)		(7,495,030)
Company's loss for the financial year			(170,687)		(724,353)

The financial statements were approved by the Board of Directors and authorised for issue on ....28/9/2020........ and were signed on its behalf by:

....

S P Murphy - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2018	1,969,055	(24,696,618)	14,611,202
Changes in equity			
Total comprehensive income	-	604,668	-
Balance at 31 December 2018	1,969,055	(24,091,950)	14,611,202
Changes in equity			
Total comprehensive income	-	(1,098,716)	-
Balance at 31 December 2019	1,969,055	(25,190,666)	14,611,202

	Revaluation reserve £	Other reserves £	Total equity £
Balance at 1 January 2018	659,215	878,665	(6,578,481)
Changes in equity			
Total comprehensive income	-	-	604,668
Balance at 31 December 2018	659,215	878,665	(5,973,813)
Changes in equity			
Total comprehensive income	-	-	(1,098,716)
Balance at 31 December 2019	659,215	878,665	(7,072,529)

The notes form part of these financial statements

Company Statement of Changes in Equity for the Year Ended 31 December 2019

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2018	1,969,055	(26,308,618)	14,611,202
Changes in equity			
Total comprehensive income	-	695,451	-
Balance at 31 December 2018	1,969,055	(25,613,167)	14,611,202
Changes in equity			
Total comprehensive income	-	(1,643,477)	-
Balance at 31 December 2019	1,969,055	(27,256,644)	14,611,202

	Revaluation reserve £	Other reserves £	Total equity £
Balance at 1 January 2018	659,215	878,665	(8,190,481)
Changes in equity			
Total comprehensive income	-	-	695,451
Balance at 31 December 2018	659,215	878,665	(7,495,030)
Changes in equity			
Total comprehensive income	-	-	(1,643,477)
Balance at 31 December 2019	659,215	878,665	(9,138,507)

The notes form part of these financial statements

Consolidated Cash Flow Statement for the Year Ended 31 December 2019

	Notes	31.12.19 £	31.12.18 £
Cash flows from operating activities			
Cash generated from operations	28	219,110	752,863
Interest paid		(31,833)	(35,641)
Net cash from operating activities		187,277	717,222
Cash flows from investing activities			
Purchase of tangible fixed assets		(427,641)	(466,431)
Sale of tangible fixed assets		4,600	500
Net cash from investing activities		(423,041)	(465,931)
(Decrease)/increase in cash and cash equivalents		(235,764)	251,291
Cash and cash equivalents at beginning of year	29	(366,770)	(618,061)
Cash and cash equivalents at end of year	29	(602,534)	(366,770)

The notes form part of these financial statements

Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2019

1. STATUTORY INFORMATION

Concord 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 General Information page.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Going concern
Management have considered the impact of coronavirus Covid-19 on customers, suppliers and staff and in making its assessment, management have prepared detailed forecasts for a period extending beyond 12 months from the date that these financial statements are approved and they consider that the company and group will continue to operate within its current facilities.

Financial Reporting Standard 102 - reduced disclosure exemptions
The group has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Basis of consolidation
The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate to conform to group accounting policies.

Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over 2 years from the date of acquisition. The results of the companies acquired or disposed are included in the profit and loss account after or up to the date that control passes respectively.

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

continued...

2. **ACCOUNTING POLICIES - continued**

Critical accounting judgements and key sources of estimation uncertainty
In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period, or in the period of the revision and future periods if the revision affects both current and future period's.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Trade and other receivables The allowance for doubtful debts involves significant management judgement and management review individual receivables based upon individual creditworthiness, current economic trends and historical bad debts on a portfolio basis.

Stock provisions - Significant estimates are involved in the determination of stock provisions. Management exercise significant judgement in determining whether costs of stock items can be recovered. A provision is made where a loss can be reliably estimated.

Freehold property - Freehold property are stated at fair value based upon an independent third party valuer who have the experience in the location and category of property valued. The valuer uses observable market prices adjusted as necessary for any difference in the future, location or condition of the asset.

Turnover
Turnover is measured at the fair value of the consideration received or receivable. Turnover is reduced for customer returns, rebates or other similar allowances and is net of value added taxes. Turnover includes revenue earned from the sale of goods.

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:
- the company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the company retains neither continuing managerial involvement to the degree associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction can be measured reliably.

Specifically, revenue from the sale of goods is primarily recognised upon delivery of goods to customers.

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.

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	- 1% on cost
Plant and machinery	- 15% on cost
Motor vehicles	- 25% on reducing balance
Office equipment	- 33% on cost, 25% on cost and 20% on cost

Freehold property is stated at fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses.

continued...

2. **ACCOUNTING POLICIES - continued**

Stocks
Stock and work in progress are valued at the lower of cost and selling price less costs to complete and sell. Cost is determined on a first-in first-out basis. The cost of work in progress comprises materials, direct labour and attributable production overheads.

Financial instruments
The group uses various financial instruments including loans, cash, equity, capital and various items such as trade debtors and creditors that arise directly from its operations. the main purpose of these financial instruments is to raise finance for group operations.

Exposure to foreign currency, credit, liquidity and cash flow interest rate risks arise in the normal course of the group's business. These risks are limited by the company's financial management policies and practices described below.

Market risk
Market risk encompasses three types of risk being price risk, interest rate risk and currency risk.

Price risk
The group operates in a competitive market. If the group does not continue to compete effectively by developing its product range and responding to activities in the market it could lose customers and its results, cash flow and financial conditions could adversely be affected.

Interest rate risk
The group's overdraft and cash at bank incur interest cost or income at market rates and the group is therefore exposed to interest rate risk. The group is also exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The group's policy is to obtain the most favourable interest rates available for its borrowings. The group does not use and derivative instruments to reduce its economic exposure to changes in interest rates.

Foreign currency risk
The group makes purchases from suppliers from a number of suppliers whose invoices are denominated in currencies other than sterling. The most frequently used currencies other than sterling are the Euro and the US Dollar.

Credit risk
The group's principal assets are cash deposits and trade debtors. The credit risk associated with cash deposits is limited as the accounts are held with major UK high street banks only. The principal credit risk arises therefore from its trade debtors and the group manages closely its exposure to bad debts by strong credit control, credit checks for new accounts.

Liquidity risk
The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The group policy throughout the year has been to hold cash balances in readily accessible cash deposits.

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 balance sheet date.

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

2. **ACCOUNTING POLICIES - continued**

Deferred tax

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

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

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

Pension costs and other post-retirement benefits

The Company is the principal employer in respect of a defined benefit pension scheme. The Scheme was closed to new entrants in 2000 and the last of the active members left the Scheme in August 2002. The amount charged to operating profit in respect of this Scheme is the current service cost, and gains and losses on settlements and curtailments and is included as part of staff costs. Past service costs are included in the profit and loss account if the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and expected return on assets are shown as a net amount of other finance costs or credits within interest payable. Actuarial gains and losses are recognised immediately in the Statement of Total Recognised Gains and Losses.

The defined benefit scheme is funded with the assets of the Scheme held separately from the Company in separate trustee administered funds. Pension Scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of deferred tax, is presented separately after other net assets on the face of the balance sheet.

Derivative financial instruments

Derivatives, including forward foreign exchange contracts are not basic financial instruments.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in the profit and loss account unless they are included in a hedging arrangement.

3. **TURNOVER**

The turnover and profit (2018 - loss) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	31.12.19	31.12.18
	£	£
UK	15,053,922	13,805,128
Europe	902,958	1,345,106
Rest of the world	4,232,949	2,959,536
	20,189,829	18,109,770

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

4. EMPLOYEES AND DIRECTORS

	31.12.19	31.12.18
	£	£
Wages and salaries	5,756,700	5,649,098
Social security costs	515,028	519,051
Other pension costs	257,099	229,810
	6,528,827	6,397,959

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

	31.12.19	31.12.18
Works	159	153
Administration	41	41
	200	194

The average number of employees by undertakings that were proportionately consolidated during the year was 200 (2018 - 194).

	31.12.19	31.12.18
	£	£
Directors' remuneration	82,295	82,719
Directors' pension contributions to money purchase schemes	4,875	4,875

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

Money purchase schemes	1	1

5. OPERATING PROFIT

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

	31.12.19	31.12.18
	£	£
Depreciation - owned assets	200,163	138,233
(Profit)/loss on disposal of fixed assets	(4,600)	844
Auditors' remuneration	33,650	33,000
Auditors' remuneration for non audit work	5,350	5,250
Foreign exchange differences	(88,118)	99,594
Property leasing costs	73,000	73,000
Other operating leases	48,906	65,374

6. EXCEPTIONAL ITEMS

	31.12.19	31.12.18
	£	£
Pension - Past service cost	-	(851,200)

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

GMP Equalisation

On 26 October 2018, the High Court ruled for the Lloyds court case that GMP equalisation is required. In particular, the Lloyds case judgement confirmed that all pension schemes with GMP benefits accrued between 1990 and 1997 are required to equalise for the effects of unequal GMPs (across males and females) for the period since 17 May 1990.

There is an expectation from auditors that the impact of GMP equalisation will be recognised in the next set of accounts following the judgement date. As such, we have included an allowance for the impact of GMP equalisation in the 31 December 2018 FRS 102 disclosures.

As part of the 5 April 2018 triennial valuation, the Trustees loaded the Scheme's liabilities by 2% to reflect an approximate allowance for the expected impact of GMP equalisation. For FRS 102 purposes, the additional liabilities associated with GMP equalisation have been treated as a plan amendment at 31 December 2018, which is treated as a past service cost and is recognised immediately in the profit and loss.

The plan amendment was measured at 31 December 2018 on materiality grounds; rather than measuring the cost at the judgement date, 26 October 2018. The effect was a past service cost recognised of £851,200.

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.19	31.12.18
	£	£
Bank interest	31,833	35,641

8. **TAXATION**

Analysis of the tax charge/(credit)

The tax charge/(credit) on the profit for the year was as follows:

	31.12.19	31.12.18
	£	£
Deferred tax	54,834	(128,940)
Tax on profit/(loss)	54,834	(128,940)

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

8. **TAXATION - continued**

Reconciliation of total tax charge/(credit) 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:

	31.12.19	31.12.18
	£	£
Profit/(loss) before tax	428,908	(944,076)
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	81,493	(179,374)
Effects of:		
Expenses not deductible for tax purposes	245	291
Capital allowances in excess of depreciation	(64,549)	-
Depreciation in excess of capital allowances	-	12,985
Deferred tax movement	54,834	(128,940)
Movement in short term timing differences	55,975	166,098
Losses utilised	(73,164)	-
Total tax charge/(credit)	54,834	(128,940)

Tax effects relating to effects of other comprehensive income

		31.12.19	
	Gross	Tax	Net
	£	£	£
Actuarial gains	(2,089,000)	-	(2,089,000)
Deferred tax movement	396,910	-	396,910
Deferred tax change in rate of tax	219,300	-	219,300
	(1,472,790)	-	(1,472,790)

		31.12.18	
	Gross	Tax	Net
	£	£	£
Actuarial gains	2,002,000	-	2,002,000
Deferred tax movement	(340,340)	-	(340,340)
Effect due to change in tax rate	(241,856)	-	(241,856)
	1,419,804	-	1,419,804

Factors that may affect the groups future tax charge include the use of brought forward tax losses and changes in tax legislation and tax rates. The corporation tax rate is currently 19%.

At the year end, the company had £2,016,292 of unused tax losses (2018: £2,016,292) for which no deferred tax asset is provided for.

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.

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1 January 2019 and 31 December 2019	(265,603)
AMORTISATION	
At 1 January 2019 and 31 December 2019	(265,603)
NET BOOK VALUE	
At 31 December 2019	-
At 31 December 2018	-

11. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Totals £
COST OR VALUATION					
At 1 January 2019	1,480,000	1,568,407	6,900	95,830	3,151,137
Additions	-	427,641	-	-	427,641
Disposals	-	(14,749)	-	-	(14,749)
At 31 December 2019	1,480,000	1,981,299	6,900	95,830	3,564,029
DEPRECIATION					
At 1 January 2019	88,800	930,090	3,019	71,052	1,092,961
Charge for year	14,801	177,725	971	6,666	200,163
Eliminated on disposal	-	(14,749)	-	-	(14,749)
At 31 December 2019	103,601	1,093,066	3,990	77,718	1,278,375
NET BOOK VALUE					
At 31 December 2019	1,376,399	888,233	2,910	18,112	2,285,654
At 31 December 2018	1,391,200	638,317	3,881	24,778	2,058,176

Cost or valuation at 31 December 2019 is represented by:

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Totals £
Valuation in 2016	490,750	-	-	-	490,750
Cost	989,250	1,981,299	6,900	95,830	3,073,279
	1,480,000	1,981,299	6,900	95,830	3,564,029

Freehold property valued on an open market basis on 31 December 2019 by S P Murphy (Director)..

continued...

11. **TANGIBLE FIXED ASSETS - *continued***

Company

	Freehold property £	Office equipment £	Totals £
COST OR VALUATION			
At 1 January 2019			
and 31 December 2019	1,480,000	1,662	1,481,662
DEPRECIATION			
At 1 January 2019	88,800	1,662	90,462
Charge for year	14,800	-	14,800
At 31 December 2019	103,600	1,662	105,262
NET BOOK VALUE			
At 31 December 2019	1,376,400	-	1,376,400
At 31 December 2018	1,391,200	-	1,391,200

The company's properties are subject to a second charge, after the company's bankers Barclays Bank Plc, in favour of the pension trustee.

Cost or valuation at 31 December 2019 is represented by:

	Freehold property £	Office equipment £	Totals £
Valuation in 2016	490,750	-	490,750
Cost	989,250	1,662	990,912
	1,480,000	1,662	1,481,662

Freehold property was valued on an open market value basis on 31 December 2019 by S P Murphy (Director).

12. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 January 2019	
and 31 December 2019	6,165,000
PROVISIONS	
At 1 January 2019	
and 31 December 2019	5,300,000
NET BOOK VALUE	
At 31 December 2019	865,000
At 31 December 2018	865,000

continued...

12. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

North Midlands Castings Limited
Registered office: Concord Limited, Cardiff House, Cardiff Road, Barry, Vale Of Glamorgan, CF63 2AW.
Nature of business: Holding company

Class of shares:	% holding
Ordinary	100.00

BAS Castings Limited
Registered office: Wharf Road Industrial Estate, Pinxton, Nottinghamshire, NG16 6LE
Nature of business: Castings

Class of shares:	% holding
Ordinary	100.00

H.I. Quality Steel Castings Limited
Registered office: Trinity Works, Foundry Street Whittington Moor, Chesterfield, Derbyshire, S41 9AX
Nature of business: Castings

Class of shares:	% holding
Ordinary	100.00

13. **STOCKS**

	Group	
	31.12.19	31.12.18
	£	£
Raw materials	849,893	866,084
Work-in-progress	1,105,141	1,071,267
	1,955,034	1,937,351

14. **DEBTORS**

	Group		Company	
	31.12.19	31.12.18	31.12.19	31.12.18
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	3,430,700	3,517,682	19,193	50,873
Other debtors	139,477	150,088	-	-
Deferred tax asset	15,435	36,532	-	-
Prepayments	279,273	197,617	5,362	3,037
	3,864,885	3,901,919	24,555	53,910

continued...

14. DEBTORS - continued

	Group		Company	
	31.12.19	31.12.18	31.12.19	31.12.18
	£	£	£	£
Amounts falling due after more than one year:				
Deferred tax asset	127,567	217,280	-	-
Aggregate amounts	3,992,452	4,119,199	24,555	53,910

Deferred tax asset

	Group	
	31.12.19	31.12.18
	£	£
Accelerated capital allowances	(89,754)	(19,906)
Tax losses carried forward	232,756	273,718
	143,002	253,812

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.12.19	31.12.18	31.12.19	31.12.18
	£	£	£	£
Bank loans and overdrafts (see note 17)	1,119,801	648,395	-	-
Trade creditors	2,339,211	3,211,351	23,954	60,088
Amounts owed to group undertakings	136,460	129,593	156,976	150,109
Social security and other taxes	258,138	275,710	97,708	21,439
Other creditors	574,959	584,064	478,511	476,011
Derivative financial instruments at fair value	-	47,640	-	-
Accruals and deferred income	527,643	311,540	-	-
	4,956,212	5,208,293	757,149	707,647

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

	Group	
	31.12.19	31.12.18
	£	£
Accruals and deferred income	54,357	60,921

continued...

17. **LOANS**

An analysis of the maturity of loans is given below:

	Group	
	31.12.19	31.12.18
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	1,119,801	648,395

18. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	31.12.19	31.12.18
	£	£
Within one year	116,764	124,175
Between one and five years	133,337	206,050
	250,101	330,225

19. **SECURED DEBTS**

The following secured debts are included within creditors:

	Group	
	31.12.19	31.12.18
	£	£
Bank overdraft	1,119,801	648,395

These debts are secured by a first legal charge in favour of Barclays Bank Plc.

Invoice discounting arrangements included within bank overdrafts are secured upon the debts to which they relate.

The properties held within the company and group are subject to a first legal charge in favour of Barclays Bank Plc and a second legal charge in favour of the Trustee of the Concord Plc retirement benefit scheme.

20. **DERIVATIVE FINANCIAL INSTRUMENTS**

The group enters into forward foreign currency contracts to mitigate the exchange risk for certain foreign currency receivables. At 31 December 2019 the outstanding contracts all mature within 6 months of the year end. The group is committed to buy $nil and pay fixed sterling amounts of £nil (2018: $1,151,000; £856,523).

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are forward exchange rates for GBP:USD. The fair value losses of the foreign currency contracts are £nil (2018: £47,640 losses).

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.19 £	31.12.18 £
19,690,554	Ordinary	10p	1,969,055	1,969,055

All shares rank pari passu.

22. RESERVES

Group

	Retained earnings £	Share premium £	Revaluation reserve £	Other reserves £	Totals £
At 1 January 2019	(24,091,950)	14,611,202	659,215	878,665	(7,942,868)
Profit for the year	374,074	-	-	-	374,074
Pension - deferred tax	616,210	-	-	-	616,210
Actuarial gain/(loss)	(2,089,000)	-	-	-	(2,089,000)
At 31 December 2019	(25,190,666)	14,611,202	659,215	878,665	(9,041,584)

Company

	Retained earnings £	Share premium £	Revaluation reserve £	Other reserves £	Totals £
At 1 January 2019	(25,613,167)	14,611,202	659,215	878,665	(9,464,085)
Deficit for the year	(170,687)	-	-	-	(170,687)
Pension - deferred tax	616,210	-	-	-	616,210
Actuarial gain/(loss)	(2,089,000)	-	-	-	(2,089,000)
At 31 December 2019	(27,256,644)	14,611,202	659,215	878,665	(11,107,562)

Retained earnings - includes all current and prior period retained profits and losses.

Share premium - includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve - Includes revaluations of property, plant and equipment less attributable deferred tax on gains.

continued...

23. EMPLOYEE BENEFIT OBLIGATIONS

The Concord Plc Retirement Benefits Scheme ("the Scheme") was closed to new members with effect from 1 April 2000, and to future benefit accrual from the same date. All remaining active members left the scheme at 1 September 2002 so the Scheme is left with only deferred members and pensioners. The Scheme is funded with the assets being held by the Trustees separately from the assets of the company. Pension costs are determined in accordance with advice of a professionally qualified actuary.

An actuarial valuation of the Concord Plc Retirement Benefit Scheme was carried out as at 5 April 2018 by Willis Towers Watson using the projected unit method under the assumptions prescribed in Financial Reporting Standards 102. The company pension contributions for the year were £401,000 (2018: £750,000). The outstanding deficit in the funding of the Scheme at the year end was £13,349,000 (2018: £10,965,000). No additional contributions were paid in respect of Scheme expenses.

Following the conclusion of the 2018 actuarial valuation referred to in the above paragraph a new schedule of contributions came into effect on 1 April 2019. Contributions are now calculated on a partially contingent basis to allow the Group flexibility to finance investment in new and replacement plant. Accordingly there will be a minimum annual contribution based on cash flow forecasts with the possibility of increasing the amount of annual contribution to £700,000 if actual cash flows allow. The minimum annual contributions for 2020 and 2021 for example have been set at £248,000 and £188,000 respectively. This reduction is very welcome but minimum annual contributions increase significantly in later years as the changes are predicated on improved profitability arising from the investment in plant generating much better cash flows than previously.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.12.19	31.12.18
	£	£
Present value of funded obligations	(48,652,000)	(43,372,000)
Fair value of plan assets	35,303,397	32,407,000
	(13,348,603)	(10,965,000)
Present value of unfunded obligations	-	-
Deficit	(13,348,603)	(10,965,000)
Deferred tax asset	2,536,236	1,864,050
Net liability	(10,812,367)	(9,100,950)

continued...

23. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	31.12.19	31.12.18
	£	£
Current service cost	459,000	456,000
Net interest from net defined benefit asset/liability	312,000	317,000
Past service cost	-	851,200
	771,000	1,624,200
Actual return on plan assets	4,056,000	(1,228,000)

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.12.19	31.12.18
	£	£
Opening defined benefit obligation	43,372,000	46,248,800
Interest cost	1,235,000	1,232,000
Pension Past service cost	-	851,200
Actuarial losses/(gains)	5,606,000	(3,689,000)
Benefits paid	(1,561,000)	(1,271,000)
	48,652,000	43,372,000

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

	Defined benefit pension plans	
	31.12.19	31.12.18
	£	£
Opening fair value of scheme assets	32,407,000	34,156,000
Contributions by employer	401,397	750,000
Scheme expenses incurred	(384,000)	(456,000)
Expected return	923,000	915,000
Actuarial gains/(losses)	3,517,000	(1,687,000)
Benefits paid	(1,561,000)	(1,271,000)
	35,303,397	32,407,000

continued...

23. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	31.12.19	31.12.18
	£	£
Actuarial gains/(losses)	(2,089,000)	2,002,000
	(2,089,000)	2,002,000

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31.12.19	31.12.18
	£	£
Equities	19,331,000	17,169,000
Bonds	15,925,000	15,127,000
Cash & NCA	47,397	111,000
	35,303,397	32,407,000

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	31.12.19	31.12.18
Discount rate	2.00%	2.90%
Future pension increases	3.80%	3.80%
Inflation rate (RPI)	3.80%	3.80%
Inflation rate (CPI)	2.30%	2.30%
Rate of increase for deferred pensioners	2.30%	2.30%

24. **ULTIMATE PARENT COMPANY**

The immediate parent company of this company is Stratagem Group Limited, a company registered in England and Wales.

The ultimate parent undertaking is Ryder Court Investments Limited. Ryder Court Investments Limited is the largest group for which consolidated financial statements are drawn up of which the company is a member. The financial statements are available from Cardiff House, Cardiff Road, Barry, Vale of Glamorgan. CF63 2AW.

25. **CONTINGENT LIABILITIES**

The company is involved in the Value Added Tax Group election under s29 of the Value Added Tax Act 1983. It has therefore guaranteed to pay any tax due by other members of the group. At 31 December 2019 tax owed by the group was £59,337 (31 December 2018: £99,379 owed by the group).

The company together with other group undertakings are also part of an agreement with Barclays Bank Plc, whereby balances with the bank are subject to joint and several guarantees. The bank has a fixed and floating charge over all of the company's assets.

26. **RELATED PARTY DISCLOSURES**

During the year, a total of key management personnel compensation of £575,461 (2018 - £588,056) was paid.

continued...

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2019

27. ULTIMATE CONTROLLING PARTY

The controlling party is S P Murphy.

28. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	31.12.19	31.12.18
	£	£
Profit/(loss) before taxation	428,908	(944,076)
Depreciation charges	200,161	138,233
(Profit)/loss on disposal of fixed assets	(4,600)	844
Diff between pension charges & cash cont	(401,397)	(750,000)
Pension - past service cost	-	851,200
Finance costs	727,833	808,641
	950,905	104,842
Increase in stocks	(17,683)	(212,242)
Decrease/(increase) in trade and other debtors	15,937	(64,890)
(Decrease)/increase in trade and other creditors	(730,049)	925,153
Cash generated from operations	219,110	752,863

29. 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 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	517,267	281,625
Bank overdrafts	(1,119,801)	(648,395)
	(602,534)	(366,770)

Year ended 31 December 2018

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	281,625	330,082
Bank overdrafts	(648,395)	(948,143)
	(366,770)	(618,061)

30. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.19	Cash flow	At 31.12.19
	£	£	£
Net cash			
Cash at bank and in hand	281,625	235,642	517,267
Bank overdrafts	(648,395)	(471,406)	(1,119,801)
	(366,770)	(235,764)	(602,534)
Total	(366,770)	(235,764)	(602,534)