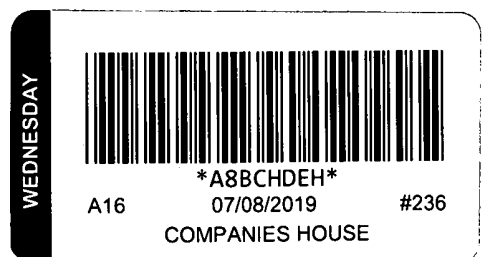


REGISTERED NUMBER: 01229842 (England and Wales)

**Group Strategic Report, Report of the Directors and
Audited Consolidated Financial Statements for the Year Ended 31st December 2018
for
Vinyl Graphics Limited**

Thickbroom Coventry
Chartered Accountants
and Statutory Auditors
147a High Street
Waltham Cross
United Kingdom
Hertfordshire
EN8 7AP



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

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Vinyl Graphics Limited
Company Information
for the Year Ended 31st December 2018

DIRECTORS:

S Ayerst
M Ayerst
R Dadd
M Elen
D Gray

SECRETARY:

G Makepeace

REGISTERED OFFICE:

268 Elgar Road South
Reading
Berkshire
RG2 0BT

REGISTERED NUMBER:

01229842 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

Joseph Illes FCA

AUDITORS:

Thickbroom Coventry
Chartered Accountants
and Statutory Auditors
147a High Street
Waltham Cross
United Kingdom
Hertfordshire
EN8 7AP

**Group Strategic Report
for the Year Ended 31st December 2018**

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

REVIEW OF BUSINESS

The principal activity of the group is that of the production & application of self-adhesive vinyl and digital graphics.

The group continues to set itself the goal to provide a high standard of product and service through the continued investment in the best technology and people.

The directors are satisfied with the results and performance of the group during the year ended 31 December 2018.

PRINCIPAL RISKS AND UNCERTAINTIES

The group's principal financial instruments comprise bank balances, trade creditors, trade debtors, loans to the company and finance lease agreements. The main purpose of these instruments is to raise funds for the group's operations and to finance the group's operations.

Due to the nature of the financial instruments used by the group there is no exposure to price risk. The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The group makes use of money market facilities when funds are available.

The group is a lessee in respect of finance-leased assets. The liquidity risk in respect of these is managed in the same way as loans above.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

BUSINESS RISKS

The group mitigates its business risks by employing high quality staff in all key areas of the business. Along with continued investment in technology the group is confident of dealing with and overcoming any risks as they arise.

**Group Strategic Report
for the Year Ended 31st December 2018**

FUTURE DEVELOPMENTS

The graphics industry continues to provide plenty of opportunities for continued growth. The directors remain confident that the group will maintain its position in the market by investing in the latest technology in order to maintain both a quality product and service.

ON BEHALF OF THE BOARD:



G Makepeace - Secretary

29th March 2019

Vinyl Graphics Limited (Registered number: 01229842)

**Report of the Directors
for the Year Ended 31st December 2018**

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

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of 34.55 per share.

The total distribution of dividends for the year ended 31st December 2018 will be £500,000.

DIRECTORS

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

S Ayerst
M Ayerst
R Dadd
M Elen
D Gray

POLITICAL DONATIONS AND EXPENDITURE

During the year the Company made charitable donations of £3,954 (2017: £7,260), principally to local charities and businesses.

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 31st December 2018**

AUDITORS

The auditors, Thickbroom Coventry, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



G Makepeace - Secretary

29th March 2019

Report of the Independent Auditors to the Members of Vinyl Graphics Limited

Opinion

We have audited the financial statements of Vinyl Graphics Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st December 2018 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Statement of Financial Position, Company Statement of Financial Position, 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 31st December 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.

Report of the Independent Auditors to the Members of Vinyl Graphics Limited

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.

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 four, 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.

**Report of the Independent Auditors to the Members of
Vinyl Graphics Limited**

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.



Joseph Illes FCA (Senior Statutory Auditor)
for and on behalf of Thickbroom Coventry
Chartered Accountants
and Statutory Auditors
147a High Street
Waltham Cross
United Kingdom
Hertfordshire
EN8 7AP

29th March 2019

Vinyl Graphics Limited (Registered number: 01229842)

**Consolidated Statement of Income and Retained Earnings
for the Year Ended 31st December 2018**

	Notes	2018 £	2017 £
TURNOVER	3	15,425,147	15,016,133
Cost of sales		<u>8,294,276</u>	<u>7,965,120</u>
GROSS PROFIT		7,130,871	7,051,013
Distribution costs		1,090,107	958,163
Administrative expenses		<u>5,088,374</u>	<u>4,923,042</u>
		6,178,481	5,881,205
OPERATING PROFIT	5	952,390	1,169,808
Interest payable and similar expenses	6	<u>63,284</u>	<u>72,564</u>
PROFIT BEFORE TAXATION		889,106	1,097,244
Tax on profit	7	<u>219,678</u>	<u>266,087</u>
PROFIT FOR THE FINANCIAL YEAR		669,428	831,157
Retained earnings at beginning of year		2,836,637	2,805,480
Dividends	9	(500,000)	(800,000)
RETAINED EARNINGS FOR THE GROUP AT END OF YEAR		<u><u>3,006,065</u></u>	<u><u>2,836,637</u></u>
Profit attributable to: Owners of the parent		<u><u>669,428</u></u>	<u><u>831,157</u></u>

The notes form part of these financial statements

Vinyl Graphics Limited (Registered number: 01229842)

Consolidated Statement of Financial Position
31st December 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Intangible assets	10	82,881	414,404
Tangible assets	11	3,528,775	2,860,289
Investments	12	-	-
		<u>3,611,656</u>	<u>3,274,693</u>
CURRENT ASSETS			
Stocks	13	417,429	390,845
Debtors	14	3,503,966	3,337,223
Cash at bank		44,464	48,181
		<u>3,965,859</u>	<u>3,776,249</u>
CREDITORS			
Amounts falling due within one year	15	<u>3,698,064</u>	<u>3,461,005</u>
NET CURRENT ASSETS		<u>267,795</u>	<u>315,244</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,879,451</u>	<u>3,589,937</u>
CREDITORS			
Amounts falling due after more than one year	16	(639,536)	(513,585)
PROVISIONS FOR LIABILITIES	19	<u>(216,350)</u>	<u>(222,215)</u>
NET ASSETS		<u><u>3,023,565</u></u>	<u><u>2,854,137</u></u>

The notes form part of these financial statements

Vinyl Graphics Limited (Registered number: 01229842)

Consolidated Statement of Financial Position - continued
31st December 2018

	Notes	2018	2017
		£	£
CAPITAL AND RESERVES			
Called up share capital	20	14,473	14,473
Capital redemption reserve	21	3,027	3,027
Retained earnings	21	3,006,065	2,836,637
SHAREHOLDERS' FUNDS		<u>3,023,565</u>	<u>2,854,137</u>

The financial statements were approved by the Board of Directors on 29th March 2019 and were signed on its behalf by:

S Ayerst - Director

M Ayerst - Director

The image shows two handwritten signatures. The first signature, for S Ayerst, is a stylized, cursive 'S' with a horizontal line extending to the right. The second signature, for M Ayerst, is a more complex, cursive signature with multiple loops and a long horizontal line extending to the right.

The notes form part of these financial statements

Vinyl Graphics Limited (Registered number: 01229842)

**Company Statement of Financial Position
31st December 2018**

	Notes	2018	2017
		£	£
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	3,162,228	2,572,842
Investments	12	2,771,003	2,771,003
		<u>5,933,231</u>	<u>5,343,845</u>
CURRENT ASSETS			
Stocks	13	251,476	206,476
Debtors	14	3,341,532	3,164,300
Cash at bank		28,896	40,219
		<u>3,621,904</u>	<u>3,410,995</u>
CREDITORS			
Amounts falling due within one year	15	3,244,552	3,016,494
NET CURRENT ASSETS		<u>377,352</u>	<u>394,501</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,310,583	5,738,346
CREDITORS			
Amounts falling due after more than one year	16	(1,629,841)	(1,568,953)
PROVISIONS FOR LIABILITIES	19	(199,991)	(178,604)
NET ASSETS		<u><u>4,480,751</u></u>	<u><u>3,990,789</u></u>

The notes form part of these financial statements

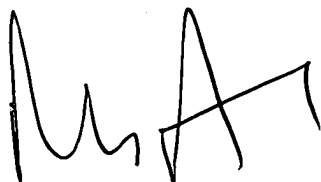
Vinyl Graphics Limited (Registered number: 01229842)

Company Statement of Financial Position - continued
31st December 2018

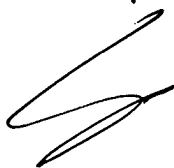
	Notes	2018 £	2017 £
CAPITAL AND RESERVES			
Called up share capital	20	14,473	14,473
Capital redemption reserve	21	3,027	3,027
Retained earnings	21	4,463,251	3,973,289
SHAREHOLDERS' FUNDS		<u>4,480,751</u>	<u>3,990,789</u>
Company's profit for the financial year		<u>989,962</u>	<u>997,829</u>

The financial statements were approved by the Board of Directors on 31st March 2019 and were signed on its behalf by:

M Ayerst - Director



S Ayerst - Director



The notes form part of these financial statements

**Consolidated Statement of Cash Flows
for the Year Ended 31st December 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	1,836,360	2,167,287
Interest element of hire purchase payments paid		(62,407)	(67,558)
Finance costs paid		(877)	(5,006)
Tax paid		(301,096)	(586,520)
Net cash from operating activities		<u>1,471,980</u>	<u>1,508,203</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		-	(210,000)
Purchase of tangible fixed assets		(1,339,700)	(233,501)
Sale of tangible fixed assets		23,500	-
Net cash from investing activities		<u>(1,316,200)</u>	<u>(443,501)</u>
Cash flows from financing activities			
Loan repayments in year		(59,468)	(70,000)
Capital repayments in year		399,971	(324,277)
Equity dividends paid		(500,000)	(800,000)
Net cash from financing activities		<u>(159,497)</u>	<u>(1,194,277)</u>
Decrease in cash and cash equivalents		<u>(3,717)</u>	<u>(129,575)</u>
Cash and cash equivalents at beginning of year	2	48,181	177,756
Cash and cash equivalents at end of year	2	<u><u>44,464</u></u>	<u><u>48,181</u></u>

The notes form part of these financial statements

Notes to the Consolidated Statement of Cash Flows
for the Year Ended 31st December 2018

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

	2018 £	2017 £
Profit before taxation	889,106	1,097,244
Depreciation charges	969,673	1,030,328
Loss on disposal of fixed assets	10,833	-
Finance costs	63,284	72,564
	<u>1,932,896</u>	<u>2,200,136</u>
Increase in stocks	(26,584)	(66,947)
Increase in trade and other debtors	(166,743)	(415,967)
Increase in trade and other creditors	96,791	450,065
	<u>1,836,360</u>	<u>2,167,287</u>
Cash generated from operations	1,836,360	2,167,287

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 31st December 2018

	31/12/18 £	1/1/18 £
Cash and cash equivalents	<u>44,464</u>	<u>48,181</u>

Year ended 31st December 2017

	31/12/17 £	1/1/17 £
Cash and cash equivalents	<u>48,181</u>	<u>177,756</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31st December 2018**

1. STATUTORY INFORMATION

Vinyl Graphics 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.

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.

Turnover

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

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of five years.

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.

Short leasehold	- 15% on cost and 10% on cost
Plant and machinery	- 20% on reducing balance and 15% on cost
Fixtures and fittings	- 30% on cost and 15% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, 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.

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

2. **ACCOUNTING POLICIES - continued**

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.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

3. **TURNOVER**

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

An analysis of turnover by geographical market is given below:

	2018 £	2017 £
United Kingdom	15,043,592	14,885,873
Europe	243,539	115,812
Rest of the World	138,016	14,448
	<u>15,425,147</u>	<u>15,016,133</u>

4. **EMPLOYEES AND DIRECTORS**

	2018 £	2017 £
Wages and salaries	4,231,110	4,168,154
Social security costs	476,464	466,241
Other pension costs	318,463	291,046
	<u>5,026,037</u>	<u>4,925,441</u>

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

4. **EMPLOYEES AND DIRECTORS - continued**

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

	2018	2017
Production staff	79	79
Distribution staff	8	7
Administrative staff	34	33
	<u>121</u>	<u>119</u>

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

	2018 £	2017 £
Directors' remuneration	811,350	870,467
Directors' pension contributions to money purchase schemes	<u>14,400</u>	<u>14,400</u>

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

Defined benefit schemes	<u>4</u>	<u>4</u>
-------------------------	----------	----------

Information regarding the highest paid director is as follows:

2018 £	2017 £
<u> </u>	<u> </u>

The aggregate remuneration of the highest paid director during the year amounted to £264,139 (2017: £362,531).

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	2018 £	2017 £
Other operating leases	610,724	565,844
Depreciation - owned assets	636,881	620,846
Loss on disposal of fixed assets	10,833	-
Goodwill amortisation	331,523	331,523
Auditors' remuneration	25,500	25,000
Foreign exchange differences	<u>515</u>	<u>330</u>

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

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018	2017
	£	£
Hire purchase	62,407	67,558
Other interest payable	877	5,006
	<u>63,284</u>	<u>72,564</u>

7. 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	234,292	300,013
Deferred tax	(14,614)	(33,926)
Tax on profit	<u>219,678</u>	<u>266,087</u>

UK corporation tax has been charged at 19%.

8. INDIVIDUAL INCOME STATEMENT

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

9. DIVIDENDS

	2018	2017
	£	£
Ordinary shares of £1 each		
Final	<u>500,000</u>	<u>800,000</u>

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

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill £
COST	
At 1st January 2018	
and 31st December 2018	1,400,947
AMORTISATION	
At 1st January 2018	986,543
Amortisation for year	331,523
At 31st December 2018	1,318,066
NET BOOK VALUE	
At 31st December 2018	82,881
At 31st December 2017	414,404

11. TANGIBLE FIXED ASSETS

Group

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1st January 2018	178,470	7,840,760	1,422,817	262,534	9,704,581
Additions	2,377	932,135	208,253	196,935	1,339,700
Disposals	-	(240,965)	-	(79,003)	(319,968)
At 31st December 2018	180,847	8,531,930	1,631,070	380,466	10,724,313
DEPRECIATION					
At 1st January 2018	124,342	5,648,415	898,754	172,781	6,844,292
Charge for year	18,826	489,684	92,998	35,373	636,881
Eliminated on disposal	-	(220,693)	-	(64,942)	(285,635)
At 31st December 2018	143,168	5,917,406	991,752	143,212	7,195,538
NET BOOK VALUE					
At 31st December 2018	37,679	2,614,524	639,318	237,254	3,528,775
At 31st December 2017	54,128	2,192,345	524,063	89,753	2,860,289

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

11. TANGIBLE FIXED ASSETS - continued

Group

Included within the carrying value of tangible fixed assets are assets held under finance leases or hire purchase agreements amounting to £1,557,429 (2017: £951,201).

Company

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1st January 2018	117,158	7,292,214	1,318,961	262,534	8,990,867
Additions	-	772,670	185,545	196,935	1,155,150
Disposals	-	(236,000)	-	(79,003)	(315,003)
At 31st December 2018	117,158	7,828,884	1,504,506	380,466	9,831,014
DEPRECIATION					
At 1st January 2018	100,137	5,323,041	822,066	172,781	6,418,025
Charge for year	1,746	417,731	76,581	35,373	531,431
Eliminated on disposal	-	(215,728)	-	(64,942)	(280,670)
At 31st December 2018	101,883	5,525,044	898,647	143,212	6,668,786
NET BOOK VALUE					
At 31st December 2018	15,275	2,303,840	605,859	237,254	3,162,228
At 31st December 2017	17,021	1,969,173	496,895	89,753	2,572,842

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

12. **FIXED ASSET INVESTMENTS**

Group

	Unlisted investment £
COST	
At 1st January 2018 and 31st December 2018	39,480
PROVISIONS	
At 1st January 2018 and 31st December 2018	39,480
NET BOOK VALUE	
At 31st December 2018	-
At 31st December 2017	-

Company

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1st January 2018 and 31st December 2018	2,771,003	39,480	2,810,483
PROVISIONS			
At 1st January 2018 and 31st December 2018	-	39,480	39,480
NET BOOK VALUE			
At 31st December 2018	2,771,003	-	2,771,003
At 31st December 2017	2,771,003	-	2,771,003

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

12. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries

Glendining Signs Limited

Registered office: United Kingdom
Nature of business: Trading company

	% holding	31/5/18 £	31/5/17 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		1,303,562	1,214,101
Profit for the year		969,461	1,080,502

Jadecal Signs Limited

Registered office: United Kingdom
Nature of business: Dormant company

	% holding	2018 £	2017 £
Class of shares:			
Ordinary	99.99		
Aggregate capital and reserves		10,000	10,000

13. **STOCKS**

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Raw materials	417,429	390,845	251,476	206,476

14. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2018 £	2017 £	2018 £	2017 £
Trade debtors	3,234,594	3,037,501	2,422,552	2,292,011
Trade debtors unbilled	72,854	71,969	72,854	71,969
Amounts owed by group undertakings	-	-	681,433	637,888
Other debtors	5,762	3,000	5,762	3,000
Staff loans	-	1,196	-	1,196
Prepayments and accrued income	190,756	223,557	158,931	158,236
	3,503,966	3,337,223	3,341,532	3,164,300

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

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 17)	20,227	62,293	-	62,293
Other loans (see note 17)	1,321,380	1,149,862	1,321,380	1,149,862
Hire purchase contracts (see note 18)	327,612	156,624	327,612	156,624
Trade creditors	1,104,214	893,503	988,810	790,827
Tax	29,611	96,415	-	52,331
Social security and other taxes	170,337	144,342	143,975	121,070
VAT	259,833	241,789	101,578	73,960
Other creditors	-	34,442	-	34,442
Deferred share consideration	156,932	168,000	156,932	168,000
Amounts due to group companies	-	-	10,000	10,000
Accrued expenses	307,918	513,735	194,265	397,085
	<u>3,698,064</u>	<u>3,461,005</u>	<u>3,244,552</u>	<u>3,016,494</u>

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

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans (see note 17)	65,063	-	-	-
Other loans (see note 17)	-	-	1,055,368	1,055,368
Hire purchase contracts (see note 18)	574,473	345,490	574,473	345,490
Other creditors	-	168,095	-	168,095
	<u>639,536</u>	<u>513,585</u>	<u>1,629,841</u>	<u>1,568,953</u>

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

17. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank loans	20,227	62,293	-	62,293
Invoice discounting	1,321,380	1,149,862	1,321,380	1,149,862
	<u>1,341,607</u>	<u>1,212,155</u>	<u>1,321,380</u>	<u>1,212,155</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>20,749</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>44,314</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Other loans more 5yrs instal	<u>-</u>	<u>-</u>	<u>1,055,368</u>	<u>1,055,368</u>

18. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	327,612	156,624
Between one and five years	574,473	345,490
	<u>902,085</u>	<u>502,114</u>

Vinyl Graphics Limited (Registered number: 01229842)

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

18. LEASING AGREEMENTS - continued

Company

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	327,612	156,624
Between one and five years	574,473	345,490
	<u>902,085</u>	<u>502,114</u>

Group

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	110,186	110,186
Between one and five years	110,186	156,097
	<u>220,372</u>	<u>266,283</u>

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Deferred tax				
Accelerated capital allowances	219,795	222,215	203,436	178,604
Tax losses carried forward	(3,445)	-	(3,445)	-
	<u>216,350</u>	<u>222,215</u>	<u>199,991</u>	<u>178,604</u>

Group

	Deferred tax £
Balance at 1st January 2018	222,215
Provided during year	(5,865)
Balance at 31st December 2018	<u>216,350</u>

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

19. PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1st January 2018	178,604
Provided during year	21,387
Balance at 31st December 2018	<u>199,991</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2018 £	2017 £
14,473	Ordinary		<u>14,473</u>	<u>14,473</u>

21. RESERVES

Group

	Retained earnings £	Capital redemption reserve £	Totals £
At 1st January 2018	2,836,637	3,027	2,839,664
Profit for the year	669,428		669,428
Dividends	(500,000)		(500,000)
At 31st December 2018	<u>3,006,065</u>	<u>3,027</u>	<u>3,009,092</u>

Company

	Retained earnings £	Capital redemption reserve £	Totals £
At 1st January 2018	3,973,289	3,027	3,976,316
Profit for the year	989,962		989,962
Dividends	(500,000)		(500,000)
At 31st December 2018	<u>4,463,251</u>	<u>3,027</u>	<u>4,466,278</u>

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

22. RELATED PARTY DISCLOSURES

Vinyl Graphics Limited Pension Scheme

Vinyl Graphics Limited pay pension contributions into a pension fund. The company also rents two of its premises from the pension scheme. The value of rent payable during the year amounted to £389,000 (2017: £359,242).