Registered Number 03846688

Allied Glass Containers Limited

Annual Report and Financial Statements

for the year ended 7 December 2019

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Allied Glass Containers Limited

Directors and advisers

Directors
J Culley
A Henderson
M Hogley
N Maskrey
P Morris
J Naughton
R Summers

Company secretary
J S McLean

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69 South Accommodation Road
Leeds
LS10 1NQ

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Central Square
29 Wellington Street
Leeds
LS1 4DL

Solicitors
Eversheds LLP
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Financiers
Investec Bank plc
30 Gresham Street
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EC2V 7QP

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33 Old Broad Street
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Strategic report for the year ended 7 December 2019

The directors present their strategic report and the audited financial statements of the Company for the year ended 7 December 2019.

Review of business and future developments

The Group's primary market is spirits, with other areas served being soft drinks, water and food containers. All markets continued to perform well in the year ended 7 December 2019, with the Group's key spirits sector in particular again showing a pleasing level of growth driven both by existing portfolio and new contracts. This delivered a 17% increase in Turnover on the prior year to £125.4m. Notwithstanding the challenges of the Covid-19 pandemic in the current year, latest indications are that a return to growth is evident in key areas of the portfolio in the second half of 2020 and beyond.

The Group maintained its core focus upon the craft and premium spirit sectors and in 2019 continued to make significant capital investments to support strategic development in relation to premium brands, positioning it to take further advantage of market growth. A total of £8.2m of capital expenditure was incurred, with a clear focus on quality, output and facilitating growth as well as added value to customers beyond glass manufacturing through a new spray line within our Decoration facility.

The relocation in the prior year of all central and administrative support staff to new office premises on the same site as our Decoration facility in Normanton has led to further improvements in terms of communication flow and streamlined decision making processes. In addition, our innovative customer design area has proved to be a great success across our customer base in providing a platform to showcase our product capabilities.

Operating cash generation (before interest and tax) for the Group was significantly ahead of expectations at £22.6m (2018: £24.1m), representing a highly creditable outturn given the working capital investment required to service growth in the year. This was underpinned by a sustained and robust focus on cash management combined with careful control of inventory levels and strong long term relationships with customers and suppliers alike. The payment practices report at the year end showed 0% of invoices due but not paid within agreed terms.

Key performance indicators

	7 December 2019		8 December 2018	
	Actual	**Target**	Actual	Target
Net working capital as a % of last 3 months sales	**15.9**	**17.5**	18.7	24.9
Less than target means it is exceeded				
Gross Margin %	**37.5**	**36.1**	34.0	32.8
Greater than target means it is exceeded				
Accident frequency per 100,000 hours worked	**2.7**	**N/A**	5.5	N/A

These are considered by the directors as being fundamental measures in assessing the business' financial wellbeing and have been extracted from the Group management accounts.

Strategic report for the year ended 7 December 2019 (continued)

Principal risks and uncertainties facing the Company
The key area of uncertainty for the Company is how well it adapts to ever changing circumstances and challenges presented by economic, political and technological influences. This includes interest rate and currency fluctuations, credit, liquidity and other financial risks sensitive to pricing decisions and competitive pressure. The Company attempts to manage these risks by using a variety of measures and policies governed by the directors. The use of appropriate external advice and development of appropriate strategies to counter the threats posed are undertaken.

Covid-19
In common with the majority of UK industry, the Company has been adversely impacted by the outbreak of the Covid-19 (Coronavirus) pandemic. The principal impacts on the Company's activities and trading performance were a material downturn in the second quarter of 2020 as the end markets which we serve transitioned to the fast changing dynamics. Our strategy of maintaining a balanced portfolio across several market sectors served the business well in mitigating the impact of harder hit areas such as travel retail. The Directors quickly developed a detailed action plan to address the situation, first and foremost ensuring that all our sites were made Covid-19 secure, thereby enabling operations to continue throughout the period, albeit at reduced volumes in the early stages.

The second half of 2020 has seen a rapid return to significantly higher activity levels led by customer driven demand, surpassing that of 2019. Our workforce responded magnificently to the challenges of Covid-19 ensuring that opportunities to recover quickly could be taken effectively. Operational learnings from this time, together with strong cost control and ownership have manifested in a leaner more efficient organisation that is well placed to continue to grow as we look forward to 2021.

As a consequence, revised cashflow projections for the period to December 2021 have been prepared at a highly detailed level, showing that the Company can trade within existing available facilities, maintaining comfortable levels of headroom against associated financial covenants.

For the above reasons, the financial statements have been prepared on a going concern basis. However, attention is drawn to the fact that it is not yet possible to firmly predict the overall potential impact of the Covid-19 pandemic on the UK economy, or therefore on the Company's operations. The principal uncertainties are around a sustained and unrecovered downturn in the markets that the Company serves. The Company has plans to mitigate such risks but cannot eliminate the uncertainty based on the resolution of the outbreak as yet being unknown.

Strategic report for the year ended 7 December 2019 (continued)

Brexit
Following the general election in December 2019, the UK government won a clear mandate on Brexit, and the UK formally ceased to be a member of the European Union on 31 January 2020. The government's stated policy is to seek a negotiated trade deal before the end of the transition period, which is currently due to expire at the end of 2020. At the time of writing, and despite the additional uncertainty arising from the Coronavirus pandemic, the government's position is that it will not ask for or accept an extension of the transition period. As a result, it is still not currently possible to predict whether the UK will leave with a trade deal, or on a 'no deal' basis, or the immediate timescale within which such a conclusion will be reached.

As reported previously, businesses in the UK may be impacted by factors such as additional volatility in foreign exchange rates, interest rates, and commodity prices. The directors continue to monitor the emerging implications of Brexit on an ongoing basis, but believe the Group is well placed to manage the effects thanks to the risk management processes that are in place.

Environmental
The Company continues to maintain registration to the International Environmental Standard ISO 14001. The necessary permits to operate the manufacturing sites under the Environmental Permitting regulations are in place and the Company continues to invest capital in plant and machinery, both to ensure continuation of the permits and to achieve continual improvement in environmental performance. Investment in the period focused on energy efficiency including a furnace rebuild at the Knottingley site, LED lighting, compressor upgrades, replacement energy efficient motors and variable speed drives.

The Company monitors and reports greenhouse emissions under the European Union Emissions Trading System (EUETS). Emissions are independently verified annually and the Company is fully compliant with all aspects of the regulations. Carbon emissions per tonne of glass produced were reduced by almost 8% compared to the previous year. The Company's accounting policy with regard to this scheme is described in the Statement of accounting policies within these financial statements.

The Company's registration as a re-processor of recycled glass has been maintained throughout the year.

Employee involvement
During the year the Company continued to provide employees with relevant information and to seek their views on matters of common concern through their representatives and line managers. Priority is given to ensuring that employees are aware of all significant matters affecting the Company's trading position and of any significant organisational changes.

Employee involvement in the Company is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Company plays a major role in maintaining its vibrancy. The Company encourages the involvement of employees by means of its own intranet site, and committees such as pension governance and sports & social.

Strategic report for the year ended 7 December 2019 (continued)

Employee involvement (continued)

It is the policy of the Company to support the employment of disabled persons where possible, both in recruitment and by retention of employees who become disabled whilst in the employment of the Company, as well as generally through training and career development.

On behalf of the Board

A Henderson
Director

1 December 2020

Directors' report for the year ended 7 December 2019

The directors present their annual report and the audited financial statements of the Company for the year ended 7 December 2019.

Principal activity
The principal activity of the Company is the manufacture of glass containers.

Future developments
The future developments of the Company are included within the strategic report.

Equity dividends
The Directors have neither declared nor paid a dividend in the current or prior year.

Going concern
The financial statements have been prepared on a going concern basis.

In reaching this conclusion the directors considered trading and cashflow projections for the twelve month period from the date of approval of the financial statements. Taking into account the sources of funding available to the Company the directors concluded that the Company will continue to be able to pay its debts as they fall due for at least this period, and therefore that the going basis remained appropriate. The impact of Coronavirus is considered in the Strategic Report on page 3.

Directors
The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

J Culley
A Henderson
M Hogley
N Maskrey
P Morris
J Naughton
R Summers

No director had at any time during the year any material interest in a contract with the Company.

Statement of directors' responsibilities
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

Directors' report for the year ended 7 December 2019 (continued)

Statement of directors' responsibilities (continued)

- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Financial risk management

The Company's principal financial instruments comprise sterling cash and bank deposits, bank loans and overdrafts, other loans and obligations under finance leases together with trade debtors and trade creditors that arise directly from its operations. Each of these are managed and maintained at levels deemed appropriate by the directors in order to mitigate the risks identified.

The main risks arising from the Company's financial instruments can be analysed as follows:

Foreign currency risk

The Company is exposed in its trading operations to the risk of changes in foreign currency exchange rates. As the Company both buys and sells goods within Europe the Euro is the main foreign currency. The overall risk is not significant as a natural hedge is maintained where possible.

Credit risk

The Company's principal financial assets are bank balances, cash and trade debtors. The Company's credit risk is primarily attributable to its trade debtors, which are covered by an appropriate level of credit insurance.

Liquidity risk

The Company's policy is to ensure there are appropriate levels of funding through various facilities including medium term bank loans, management backed loan notes, the acquisition of an element of the Company's fixed assets under finance leases, and overdraft and revolving credit facilities to manage its working capital requirements.

Directors' report for the year ended 7 December 2019 (continued)

Gas, electricity and carbon price risk
The Company has exposure to the movement in energy and carbon prices, which is minimised by entering into contracts with its suppliers that allow the Company to buy energy and carbon volumes at an agreed price.

Cash flow interest rate risk
Interest bearing assets comprise cash and bank deposits, all of which earn interest at a variable rate. Interest arising on the bank overdraft is at market rate. The Company's policy is to maintain the majority of other borrowings at fixed rates to fix the amount of future interest cash flows. In some instances variable rates are fixed by the use of financial interest rate swaps. The directors monitor the overall level of borrowings and interest costs to limit any adverse effects on the financial performance of the Company.

Independent auditors
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office, and a resolution that they be reappointed will be proposed at the annual general meeting.

Subsequent events
Particulars of matters arising since the balance sheet date are given in notes 21 and 22 to the financial statements.

Approval
The Directors' report was approved by the board on 1 December 2020 and signed on its behalf by:

A Henderson
Director

Independent auditors' report to the members of Allied Glass Containers Limited

Report on the audit of the financial statements

Opinion

In our opinion, Allied Glass Containers Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 7 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 7 December 2019; the statement of comprehensive income, the statement of changes in equity for the year then ended; the statement of accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditors' report to the members of Allied Glass Containers Limited (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 7 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on pages 6 and 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report to the members of Allied Glass Containers Limited (continued)

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 an auditors' report 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Tom Yeates (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
1 December 2020

Statement of comprehensive income for the year ended 7 December 2019

	Note	**Year ended 7 December 2019 £'000**	Year ended 8 December 2018 £'000
Revenue	1	**125,382**	107,531
Cost of sales		**(99,979)**	(86,546)
Gross profit		**25,403**	20,985
Distribution costs		**(14,130)**	(12,619)
Administrative expenses		**(3,870)**	(4,020)
Other operating income	3	**6,780**	3,528
Operating profit	2	**14,183**	7,874
Finance income	4	**4**	1
Finance costs	4	**(1,425)**	(1,864)
Profit before taxation		**12,762**	6,011
Taxation	8	**(2,531)**	(1,179)
Profit for the financial year		**10,231**	4,832
Other comprehensive income / (expense)		**1,961**	(2,346)
Total comprehensive income for the year		**12,192**	2,486

The above results all relate to continuing activities.

There is no difference between the profit before taxation and profit for the financial year stated above and their historical cost equivalents.

The statement of accounting policies and notes on pages 16 to 35 form an integral part of these financial statements.

Allied Glass Containers Limited

Statement of financial position as at 7 December 2019

	Note	7 December 2019 £'000	8 December 2018 £'000
Assets			
Non-current assets			
Intangible assets	9	**851**	851
Property, plant and equipment	10	**33,182**	31,225
Investments	11	**904**	904
Total non-current assets		**34,937**	32,980
Current assets			
Inventories	12	**25,093**	22,007
Trade and other receivables	13	**90,795**	86,752
Current taxation receivable		**-**	125
Cash and cash equivalents		**641**	621
Total current assets		**116,529**	109,505
Total assets		**151,466**	142,485
Equity and liabilities			
Current liabilities			
Trade and other payables	14	**64,069**	60,131
Borrowings	15	**10,026**	17,972
Current taxation payable		**1,013**	-
Total current liabilities		**75,108**	78,103
Non-current liabilities			
Deferred tax liabilities	16	**1,901**	1,894
Borrowings	15	**383**	606
Total non-current liabilities		**2,284**	2,500
Total liabilities		**77,392**	80,603
Equity			
Called up share capital	17	**-**	-
Share premium account		**37,126**	37,126
Retained earnings		**36,948**	24,756
Total equity		**74,074**	61,882
Total equity and liabilities		**151,466**	142,485

Statement of financial position as at 7 December 2019 (continued)

The statement of accounting policies and notes on pages 16 to 35 form an integral part of these financial statements.

The financial statements on pages 12 to 35 were approved by the board of directors on 1 December 2020 and signed on its behalf by:

A Henderson
Director

Registered number: 03846688

Statement of changes in equity for the year ended 7 December 2019

	Called up share capital	Share premium account	Retained earnings	Total Equity
	£'000	**£'000**	**£'000**	**£'000**
Balance at 10 December 2017	-	37,126	22,270	59,396
Profit for the financial year	-	-	4,832	4,832
Other comprehensive expense:				
Payment for group relief in excess of the prevailing tax rate for the period	-	-	(2,346)	(2,346)
Balance at 8 December 2018	-	37,126	24,756	61,882
Profit for the financial year	-	-	**10,231**	**10,231**
Other comprehensive income:				
Repayment for group relief in excess of the prevailing tax rate for the period	-	-	**1,961**	**1,961**
Balance at 7 December 2019	**-**	**37,126**	**36,948**	**74,074**

The statement of accounting policies and notes on pages 16 to 35 form an integral part of these financial statements.

Statement of accounting policies for the year ended 7 December 2019

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

Basis of preparation
The financial statements of Allied Glass Containers Limited have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101). The financial statements have been prepared on a going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The requirements of IFRS 7 Financial instruments: Disclosures;
- The requirements within IAS 1 relating to the presentation of certain comparative information;
- The requirement within IAS 7 to present a cash flow statement;
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (*requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective*); and
- The requirements of IAS 24 to disclose transactions between two or more members of a group and key management compensation disclosure.

The preparation of financial statements in conformity with FRS101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity and areas where assumptions and estimates are significant are disclosed below:

Estimated impairment of goodwill – the Company tests annually whether goodwill has suffered any impairment, in accordance with its accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (see note 9).

New standards and amendments
The following new standards and amendments to standards are mandatory for the first time for the financial period beginning 9 December 2018:

- IFRS 9 'Financial Instruments' (effective 1 January 2018)
- IFRS 15 'Revenue from Contracts with Customers' (effective 1 January 2018)
- Amendments to IFRS 2 'Share-based Payment' that clarify the classification and measurement of share-based payment transactions (effective 1 January 2018)
- 'Annual Improvements to IFRS Standards 2014–2016 Cycle' (effective 1 January 2018)
- 'Transfers of Investment Property (Amendments to IAS 40)' (effective 1 January 2018)
- IFRIC 22 'Foreign Currency Transactions and Advance Consideration' (effective 1 January 2018)

The adoption of the above pronouncements did not have any impact on the Company's reported transactions and balances, as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

Statement of accounting policies for the year ended 7 December 2019 (continued)

Consolidation

The company is a wholly-owned subsidiary of Project Aqua Topco Limited. It is included in that company's consolidated financial statements which are publicly available. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

Going concern

In considering the adoption of the going concern basis of preparation the directors have assessed the uncertainties brought about by the global Covid-19 pandemic on the Company's financial performance and position, including available liquid resources and future cash flows. In making that assessment, which included plausible downside scenarios, the directors have had regard to the Company's trading performance since the beginning of the UK wide lockdown and the potential future impact of the pandemic on the Company's production capability and the market segments it serves. The directors have also applied the Company's forecast financial performance in assessing compliance with the covenants attached to the Company's external debt, noting sufficient headroom at each measurement date even in the most severe downside scenario.

On the basis of their review, the directors have concluded that the Company will have sufficient available liquidity to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of these financial statements and therefore continue to adopt the going concern basis in preparing these financial statements.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of products and services in the ordinary course of the Company's activities. Revenue is shown net of value added tax, rebates, discounts and after eliminating sales within the Company.

Under normal circumstances, revenue from product sales is recognised upon delivery to the customer or, in the case of goods supplied ex-works, generally upon collection by the customer or their agent.

Segmental reporting

A business segment is a group of assets and operations engaged in providing products and services that are subject to risk and returns that are different from those of other business segments. The Company manages all its operations as a single business unit, reflecting the locality and interchangeable production capabilities of its operations within the Yorkshire region.

Financial instruments

The Company classifies its financial instruments in the following categories: measured at amortised cost; measured at fair value through profit and loss; and measured at fair value through other comprehensive income. The classification is determined at initial recognition and depends on the purpose for which the financial instruments are required.

Statement of accounting policies for the year ended 7 December 2019 (continued)

Financial instruments (continued)
Measured at amortised cost includes non-derivative financial assets and liabilities with fixed or determinable payments that are not quoted in an active market. Financial assets are included in current assets, except where the maturity date is more than 12 months after the end of the reporting period. They are initially recorded at fair value and subsequently recorded at amortised cost. Financial liabilities are included in current liabilities, except where the maturity date is more than 12 months after the end of the reporting period. They are initially measured at original cost, less amortisation or provisions raised.

Measured at fair value through profit and loss includes derivative financial assets and liabilities. They are classified according to maturity date, within current and non-current assets and liabilities respectively.

The Company has no financial instruments measured at fair value either through profit and loss or through other comprehensive income.

Goodwill
Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Property, plant and equipment
All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items.

Depreciation on other assets is provided evenly on their cost to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land or assets in the course of construction.

The anticipated life of fixed assets is generally deemed to be no longer than:

Freehold buildings	50 years
Plant and machinery	12 years
Motor vehicles (disclosed within plant and machinery in note 10)	5 years
Mould equipment (disclosed within plant and machinery in note 10)	4 years

Estimated useful lives and residual values are re-assessed at each balance sheet date. Any gains and losses on disposal of an item are taken to the Statement of comprehensive income within administrative expenses.

Subsequent expenditure is included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measure reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of comprehensive income during the financial period in which they are incurred.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Statement of accounting policies for the year ended 7 December 2019 (continued)

Impairment of non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Leasing

Leases of property, plant and equipment where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance cost is charged to the Statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance on the liability for each period. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the Statement of comprehensive income on a straight-line basis over the period of the lease.

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Investments

Investments held by the parent company in subsidiary undertakings are carried at cost less impairments to write them down to their recoverable amount. Impairment is made if there is an indication at the balance sheet date that the carrying value is not recoverable.

Inventories

Inventories are stated at the lower of cost and net realisable value after making due provision against obsolete and slow moving items. Cost is determined on a first in first out basis and in the case of manufactured goods the term 'cost' includes raw materials, production wages and production overheads based on normal production activity levels at the balance sheet date. Net realisable value is the estimated selling price in the ordinary course of business and takes into account all estimated costs to completion and all costs to be incurred in marketing, selling and distribution directly related to the items in question. Provision is made for aged inventory, inventory wastage and quarantine inventory.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other highly liquid investments and bank overdrafts. The Company has right of set-off across its various accounts and the positions with banks are therefore shown net.

Statement of accounting policies for the year ended 7 December 2019 (continued)

Pensions
The Company operates a defined contribution pension scheme on a contractual or voluntary basis. The assets of the scheme are invested and managed independently of the finances of the Company. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Trade receivables
Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established based on an expected loss model. The amount of the provision is the difference between the asset's carrying amount and the expected value of the amounts to be received.

When a trade receivable is uncollectable it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against administrative costs in the Statement of comprehensive income.

Trade payables
Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Current and deferred taxation
The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company operates and generates taxable income.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Statement of accounting policies for the year ended 7 December 2019 (continued)

Foreign currencies

a) *Functional and presentation currency*
Items included in the financial statements of the Company are measured and presented in pounds sterling, which is the Company's functional and presentation currency.

b) Transactions and balances
Transactions denominated in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the Statement of comprehensive income.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost: any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of comprehensive income over the period of the borrowings using the effective interest method.

Gross debt is stated net of the unamortised portion of the related debt issue costs. The debt issue costs, together with the related interest expense, are allocated to the Statement of comprehensive income over the term of the loans at a constant rate on the carrying amount.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds.

Dividend distribution to the parent company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the parent company's shareholders. Where any Group company purchases the company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

Carbon emissions allowances

The Company has energy activities that are subject to the European Union Emissions Trading System (EUETS) and is allocated carbon emissions allowances by the UK government.

Where actual carbon emissions in the period are less than the allowances received (adjusted for allowances traded in the period), the unused allowances are recognised on the balance sheet at the lower of their original market value at the date of grant and their value at the balance sheet date and income to that value is recognised as government grants received. Where actual carbon emissions exceed the granted allowances in the period (adjusted for allowances traded in the period), a liability is recognised based on the fair value at the balance sheet date of the additional allowances required and is shown in the profit and loss account as an emissions expense. Sales during the period of allowances are recorded in the financial statements as carbon emissions traded.

Statement of accounting policies for the year ended 7 December 2019 (continued)

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the consolidated balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated balance sheet plus net debt.

Exceptional items

The Company presents as exceptional items on the face of the Statement of comprehensive income, those material items of income and expense which, because of the material nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison to prior periods and to assess better trends in financial performance.

When the Company undergoes significant restructuring to improve operational efficiency and meet changes in volume the Company can incur significant one-off direct costs. These costs include furnace shut down costs, redundancy and related termination payments to staff. These costs are charged to the Statement of comprehensive income and due to their significance and infrequency are disclosed as exceptional items.

Critical judgements and estimates

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity and areas where assumptions and estimates are significant are disclosed below:

Net realisable value of inventory – the Company calculates finished goods valuation by applying a rolling average 3 month margin to the sales value. This is then further adjusted by provisions for aged stock, stock wastage and quarantine stock. A degree of estimation is required in preparing these provisions.

Estimated impairment of goodwill – the Company tests annually whether goodwill has suffered any impairment, in accordance with its accounting policy. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (see note 9).

Notes to the financial statements for the year ended 7 December 2019

1 Revenue

By destination:	7 December 2019	8 December 2018
	£'000	£'000
UK	110,551	93,834
Rest of Europe	13,611	12,254
Rest of the World	1,220	1,443
	125,382	107,531

All revenue is derived from the same class of business and originates from the UK.

2 Operating profit

	7 December 2019	8 December 2018
Operating profit is stated after charging:	£'000	£'000
Depreciation of property, plant and equipment		
- Owned	6,140	5,808
- Held under finance lease	92	92
Operating lease rentals		
- Plant and machinery	497	371
- Land and buildings	1,486	1,446
Loss on disposal of property, plant and equipment	1	13
Auditors' remuneration		
Services provided to the Company and its subsidiaries:		
- audit of financial statements	27	26
- other services relating to taxation compliance and advice	78	27

Notes to the financial statements for the year ended 7 December 2019 (continued)

3 Other operating income

	7 December 2019	8 December 2018
	£'000	£'000
Rental income from fellow subsidiary	**6,780**	3,528

4 Finance income and costs

	7 December 2019	8 December 2018
	£'000	£'000
Finance income		
Bank interest receivable	**4**	1
Total finance income	**4**	1
Finance costs		
Interest payable on finance leases	**27**	27
Interest payable on bank working capital loans	**1,164**	1,108
Other similar charges payable	**130**	164
Other non-cash finance charges	**104**	565
Total finance costs	**1,425**	1,864
Net finance costs	**1,421**	1,863

Notes to the financial statements for the year ended 7 December 2019 (continued)

5 Employee information

Average monthly number of persons employed by the Company (including Directors) during the year analysed by category was as follows:

	7 December 2019	8 December 2018
	No	No
Production	342	414
Sales and distribution	51	52
Administration	38	38
	431	504

The number of employees as at 7 December 2019 was 444 (8 December 2018: 427).

6 Employee benefit expense

The aggregate payroll costs of these persons were as follows:

	7 December 2019	8 December 2018
	£'000	£'000
Wages and salaries	14,341	16,850
Social security costs	1,627	1,872
Other pension costs	815	984
Employee benefit expenses included in operating profit	16,783	19,706

Notes to the financial statements for the year ended 7 December 2019 (continued)

7 Directors and key management's emoluments

	7 December 2019 £'000	8 December 2018 £'000
Aggregate Emoluments	**1,672**	1,484
Company pension contributions to defined contribution scheme	**93**	88
	1,765	1,572

The emoluments of the highest paid Director were £196,000 (2018: £173,000) and pension contributions of £14,000 (2018: £11,000).

	7 December 2019 No	8 December 2018 No
Retirement benefits accruing to the following number of Directors and key management in the defined contribution scheme	**14**	14

8 Taxation

	7 December 2019 £'000	8 December 2018 £'000
Current tax		
UK corporation tax at 19% (2018: 19%)	**2,428**	1,331
Adjustment in respect of prior years	**96**	(122)
Total current tax	**2,524**	1,209
Deferred tax		
Origination and reversal of timing differences	**48**	(170)
Adjustment in respect of prior years	**(36)**	122
Effect of changes in tax rates	**(5)**	18
Total deferred tax	**7**	(30)
Tax charge	**2,531**	1,179

8 Taxation (continued)

The tax on profit assessed for the year is higher (2018: higher) than the effective rate of corporation tax in the UK 19% (2018: 19%). The differences are as follows:

	2019	2018
	£'000	£'000
Profit before taxation	**12,762**	6,011
Profit multiplied by the effective rate of corporation tax in the UK of 19% (2018: 19%)	**2,424**	1,142
Effects of:		
Expenses not deductible for tax purposes	**51**	19
Adjustment in respect of prior years	**60**	-
Effect of changes in tax rates	**(5)**	18
Total tax charge	**2,531**	1,179

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016 to reduce the main rate to 17% from 1 April 2020. This change was substantively enacted at the balance sheet date and its effects are included in these financial statements. Under the 2020 Spring Budget it was announced that the rate would remain at 19%, but this was not substantively enacted at the balance sheet date.

9 Intangible assets

	Goodwill
	£'000
Cost or valuation and net book value	
At 8 December 2018 and **7 December 2019**	**851**

The goodwill was generated on *16 September 2000 from the purchase of the trade and assets* of Gregg & Company (Knottingley) Limited and Lax & Shaw Limited.

Goodwill is tested annually for impairment and whenever there are indications that it may have suffered an impairment. Goodwill is considered impaired to the extent that its carrying amount exceeds its recoverable amount, which is the higher of the value in use and the fair value less costs to sell the CGU or group of CGUs to which it is allocated. In all impairment tests of goodwill performed in 2018, the recoverable amount was determined by value in use calculations.

9 Intangible assets (continued)

For the current year, the Group has assessed the recoverability of goodwill as at the Balance Sheet date based on fair value less costs to sell. As disclosed in note 21 following the year end the Group was acquired by an affiliate of Sun European Partners LLP. As a consequence of this, the expected fair value of the Group as at the year end was used in the calculation and subsequently evidenced by a market transaction shortly following the Group's year end. In comparing the consideration for the transaction with the non-current assets in the consolidated balance sheet, the Directors were able to conclude that no impairment had arisen of the Group's single CGU.

No impairment of goodwill was required for the Company's single CGU in the year ended 7 December 2019.

10 Property, plant and equipment

	Land and buildings	Plant and machinery	Assets in the course of construction	Total
	£'000	£'000	£'000	£'000
Cost				
At 8 December 2018	10,172	99,292	1,639	111,103
Additions	-	6,378	1,812	8,190
Transfers	-	762	(762)	-
Disposals	-	(4,641)	-	(4,641)
At 7 December 2019	**10,172**	**101,791**	**2,689**	**114,652**
Accumulated depreciation				
At 8 December 2018	5,326	74,552	-	79,878
Charge for the year	201	6,031	-	6,232
Disposals	-	(4,640)	-	(4,640)
At 7 December 2019	**5,527**	**75,943**	**-**	**81,470**
Net book amount				
At 7 December 2019	**4,645**	**25,848**	**2,689**	**33,182**
At 8 December 2018	4,846	24,740	1,639	31,225

Notes to the financial statements for the year ended 7 December 2019 (continued)

10 Property, plant and equipment (continued)

Included in the above are assets held under finance leases which have been capitalised and have a net book value of £872k (2018: £964k). Depreciation charged in the year on those assets amounted to £92k (2018: £92k).

Net book amount of Land and Buildings all relates to Freehold. Freehold land of £177k (2018: £177k) is not depreciated.

11 Investments

	Shares in subsidiary undertakings £'000
Cost and net book value	
At 8 December 2018 and 7 **December 2019**	**904**

The carrying value of the investment is supported by the underlying net asset position of the subsidiaries.

Subsidiaries	Interest in ordinary share and voting rights	Direct / Indirect holding	Country of registration	Principal activity
Alux Glass Limited	50%	Direct	England	Dormant
Lax & Shaw Limited	100%	Direct	England	Glassware
Gregg & Company (Knottingley) Limited	100%	Direct	England	Dormant

The registered office of all subsidiary undertakings above is 69 South Accommodation Road, Leeds, LS10 1NQ.

12 Inventories

	7 December 2019 £'000	8 December 2018 £'000
Raw materials and consumables	**5,930**	5,551
Finished goods	**19,163**	16,456
	25,093	22,007

Inventories recognised as an expense in the year were £99,979k (2018: £86,546k). The write down of inventories recognised as an expense and included in cost of sales amounted to £168k (2018: £8k).

13 Trade and other receivables

	7 December 2019 £'000	8 December 2018 £'000
Trade receivables	**17,914**	16,665
Provision for impairment of trade receivables	**(25)**	(12)
	17,889	16,653
Amounts owed by group undertakings	**71,925**	68,867
Other receivables	**471**	884
Prepayments and accrued income	**510**	348
	90,795	86,752

Amounts owed by group undertakings are repayable on demand and carry no interest charge or security.

Notes to the financial statements for the year ended 7 December 2019 (continued)

14 Trade and other payables

	7 December 2019 £'000	8 December 2018 £'000
Trade payables	**15,908**	16,147
Social security and other taxes	**2,356**	1,867
Accruals	**5,304**	4,959
Amounts owed to group undertakings	**40,501**	37,158
	64,069	60,131

Amounts owed to group undertakings are repayable on demand and carry no interest or security.

15 Borrowings

	7 December 2019 £'000	8 December 2018 £'000
Current		
Bank working capital facility	**9,803**	17,749
Finance leases	**223**	223
	10,026	17,972
Non-current		
Finance leases	**383**	606
	383	606

The Company is a guarantor to the Group's £39m term loan and £36m working capital facility.

The term loan is recognised in another company, and is repayable in quarterly instalments ending 31 March 2023, with an interest rate of 3 month LIBOR plus 4.75%. The £36m working capital facility expires 24 April 2023 carrying interest rates of 3 month LIBOR plus between 3.5% and 3.75%.

The carrying amounts of the Company's borrowings are all denominated in sterling. The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant.

Finance lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

Notes to the financial statements for the year ended 7 December 2019 (continued)

15 Borrowings (continued)

	7 December 2019 £'000	8 December 2018 £'000
Gross finance lease liabilities – minimum lease payments:		
No later than one year	**250**	250
Later than one year and no later than 5 years	**428**	678
	678	928
Future finance charges on finance liabilities	**(72)**	(99)
Present value of finance lease liabilities	**606**	829

	7 December 2019 £'000	8 December 2018 £'000
Maturity profile of present value of finance lease labilities:		
No later than one year	**223**	223
Later than one year and no later than 5 years	**383**	606
	606	829

16 Deferred tax liabilities

	£'000
At 8 December 2018	1,894
Charged to the Statement of comprehensive income (note 8)	7
At 7 December 2019	**1,901**

Notes to the financial statements for the year ended 7 December 2019 (continued)

16 Deferred tax liabilities (continued)

	7 December 2019 £'000	8 December 2018 £'000
Accelerated capital allowances	**1,913**	1,903
Other short term timing differences	**(40)**	(37)
Gains	**28**	28
	1,901	1,894

17 Called up share capital

	7 December 2019 £	8 December 2018 £
Authorised		
Ordinary shares of £1 each	**1,000**	1,000
Allotted and fully paid		
Ordinary shares of £1 each	**28**	28

18 Commitments

Capital commitments

The Company has made commitments for capital expenditure of £330k (2018: £1,653k) for which no provision has been made in these financial statements.

Notes to the financial statements for the year ended 7 December 2018 (continued)

18 Commitments (continued)

Operating lease commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	7 December 2019		8 December 2018	
	Land and buildings	**Other**	Land and buildings	Other
	£'000	**£'000**	£'000	£'000
Operating leases which expire:				
No later than 1 year	**1,477**	**404**	909	302
Later than 1 year and no later than 5 years	**6,478**	**538**	2,817	518
Later than 5 years	**5,454**	**-**	2,153	-
	13,409	**942**	5,879	820

Commodity commitments

The Company makes contractual commitments to purchase certain commodities. The total future commitments as at the balance sheet date are as follows:

	7 December 2019	8 December 2018
	£'000	£'000
No later than 1 year	**11,632**	10,824
Later than 1 year and no later than 5 years	**14,727**	12,025
	26,359	22,849

19 Retirement benefit obligations

The Company operates a defined contribution pension scheme for its employees. Contributions are charged to the Statement of comprehensive income as they are incurred. The total contributions payable by the Company for the year were £815k (2018: £894k).

Notes to the financial statements for the year ended 7 December 2018 (continued)

20 Related parties

a) Transactions with subsidiaries

The Company is exempt from disclosing transactions with other Group companies.

b) Transactions with parent companies

The Directors consider CBPE Capital LLP to be the ultimate controlling party and parent undertaking at the balance sheet date.

There were no transactions with CBPE Capital LLP during the year (2018: none).

21 Controlling parties

The immediate holding company is Allied Glass Holdings Limited, which is incorporated in Great Britain and registered in England and Wales.

The ultimate holding company is Project Aqua Topco Limited, which is incorporated in Great Britain and registered in England and Wales.

The Directors consider the ultimate controlling party to be CBPE Capital LLP at the balance sheet date.

Project Aqua Topco Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 7 December 2019. The consolidated financial statements of Project Aqua Topco Limited are available from Companies House.

On 20 December 2019, Project Aqua Topco Limited was acquired by an affiliate of Sun European Partners LLP, and Tonic Topco Limited, a company incorporated in Jersey, became the ultimate holding company from that date. Sun European Partners LLP is now considered to be the ultimate controlling party.

22 Post balance sheet events

Subsequent to the year end the coronavirus pandemic (Covid-19) has spread across the globe, resulting in the UK government taking measures to limit social contact such as restricting movement. The impact of Covid-19 is a non-adjusting post balance sheet event in these financial statements. The impact of the pandemic on the Group's performance and liquidity and the measures taken by management in response are explained in the Strategic report.