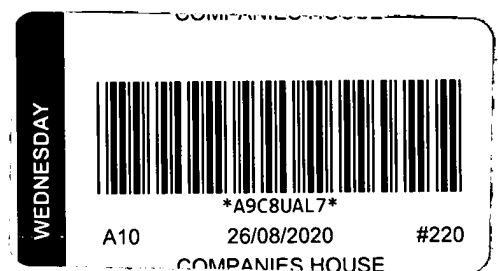


Company Registration No. 04655063 (England and Wales)

THE CANOPY COMPANY LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019



THE CANOPY COMPANY LTD

COMPANY INFORMATION

Directors	Mr C M Allen Mr A R Lowe
Secretary	Mr T E Cullen
Company number	04655063
Registered office	8 Manchester Square London W1U 3PH
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP
Business address	Unit 4, Riverside Business Park Holme Lane Rossendale Lancashire BB4 6JB

THE CANOPY COMPANY LTD

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THE CANOPY COMPANY LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the year ended 31 December 2019.

Principal activities

The principal activity of the company continued to be that of the fabrication of catering equipment.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr C M Allen

Mr A R Lowe

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

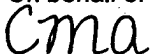
Auditor

MHA Moore and Smalley were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



.....
Mr C M Allen
Director

Date:17/07/2020.....

THE CANOPY COMPANY LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2019

The directors are responsible for preparing the annual report 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

THE CANOPY COMPANY LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE CANOPY COMPANY LTD

Opinion

We have audited the financial statements of The Canopy Company Ltd ('the company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

THE CANOPY COMPANY LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE CANOPY COMPANY LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the company is not entitled to claim exemption in preparing a strategic report due to it being a member of an ineligible group.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, 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 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.

Auditor's 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 auditor's 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.

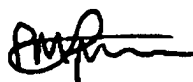
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE CANOPY COMPANY LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE CANOPY COMPANY LTD

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 an auditor's report 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.



Paul Spencer (Senior Statutory Auditor)
for and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

Date: 17/07/2020

THE CANOPY COMPANY LTD

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	2018 £
Turnover	3	762,190	774,702
Cost of sales		(523,599)	(523,683)
Gross profit		<u>238,591</u>	<u>251,019</u>
Administrative expenses		(217,265)	(232,125)
Operating profit	4	<u>21,326</u>	<u>18,894</u>
Interest receivable and similar income	7	-	47
Profit before taxation		<u>21,326</u>	<u>18,941</u>
Tax on profit	8	(3,868)	1,733
Profit for the financial year		<u><u>17,458</u></u>	<u><u>20,674</u></u>

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

THE CANOPY COMPANY LTD

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	10		73,875		57,450
Current assets					
Stocks	11	11,733		13,549	
Debtors	12	138,910		130,288	
Cash at bank and in hand		48,925		75,446	
		<u>199,568</u>		<u>219,283</u>	
Creditors: amounts falling due within one year	13	<u>(75,034)</u>		<u>(96,583)</u>	
Net current assets			124,534		122,700
Total assets less current liabilities			<u>198,409</u>		<u>180,150</u>
Provisions for liabilities	14		(2,004)		(1,203)
Net assets			<u>196,405</u>		<u>178,947</u>
Capital and reserves					
Called up share capital	17		100		100
Profit and loss reserves			196,305		178,847
Total equity			<u>196,405</u>		<u>178,947</u>

The financial statements were approved by the board of directors and authorised for issue on 17/07/2020
and are signed on its behalf by:

Cma

.....
Mr C M Allen
Director

Company Registration No. 04655063

THE CANOPY COMPANY LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2019

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2018	100	158,173	158,273
Year ended 31 December 2018:			
Profit and total comprehensive income for the year	-	20,674	20,674
Balance at 31 December 2018	100	178,847	178,947
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	17,458	17,458
Balance at 31 December 2019	100	196,305	196,405

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

The Canopy Company Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 8 Manchester Square, London, W1U 3PH.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Pentland Group Limited. These consolidated financial statements are available from its registered office, 8 Manchester Square, London, W1U 3PH.

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.2 Going concern

The global Covid-19 pandemic will have a significant impact on a number of businesses but the Directors consider that the Company is well placed through new risk management processes to minimise the impact.

Continuous assessment of the impact of the virus on employees, customers and suppliers is ongoing with regular contact with the supply chain to minimise disruption. Procedures are in place for personnel to work from home where appropriate and the flexibility of working practices across the company will enable the business to maintain operations.

Sales conversion remains strong and we have not seen any signs that the current crisis will adversely affect this at the time of approving the financial statements.

Actions have been taken in the recent past to enable the business to establish a strong financial platform and this together with the current liquidity and balance sheet strength positions the Company well to minimise any impact of a reduced cashflow. In addition, the parent company, Pentland Wholesale Limited, has confirmed that it is willing to provide continuing financial support if required.

Having assessed the potential impacts of this crisis on the business, the Directors have a reasonable expectation that the company has adequate resources to continue for the foreseeable future and as a result continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	10% straight line
Plant and equipment	15% reducing balance and 20% straight line
Fixtures and fittings	20% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.13 Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

2 Judgements and key sources of estimation uncertainty

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

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

There were no significant areas of judgement or estimation uncertainty.

3 Turnover and other revenue

	2019 £	2018 £
Turnover analysed by class of business		
Sale of goods	762,190	774,702
	<u>762,190</u>	<u>774,702</u>
	2019 £	2018 £
Turnover analysed by geographical market		
United Kingdom	762,190	774,702
	<u>762,190</u>	<u>774,702</u>

4 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	16,148	16,351
Profit on disposal of tangible fixed assets	(9,400)	-
Operating lease charges	30,980	30,529
	<u>37,728</u>	<u>46,880</u>

5 Auditor's remuneration

	2019 £	2018 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	3,400	1,860
	<u>3,400</u>	<u>1,860</u>

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Production	10	10
Administration and support	3	3
	<u>13</u>	<u>13</u>

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	315,622	320,307
Social security costs	26,733	25,633
Pension costs	16,886	23,451
	<u>359,241</u>	<u>369,391</u>

Directors' remuneration

For the entirety of the current and prior year the directors of the company have been remunerated from other group companies.

7 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	-	47
	<u>-</u>	<u>47</u>

8 Taxation

	2019 £	2018 £
Current tax		
Payment in respect of group relief for the current year	3,067	-
Total current tax	<u>3,067</u>	<u>-</u>

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

8 Taxation

(Continued)

Deferred tax

Origination and reversal of timing differences	1,237	(1,424)
Changes in tax rates	(130)	(309)
Adjustment in respect of prior periods	(306)	-
	<u>801</u>	<u>(1,733)</u>
Total deferred tax		
	<u>3,868</u>	<u>(1,733)</u>
Total tax charge/(credit)		

During the year the Group implemented a policy of making intercompany payments in respect of group relief. The Canopy Company Limited has therefore recognised the payments due in respect of tax losses utilised from fellow group companies.

The total tax credit for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	<u>21,326</u>	<u>18,941</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	4,052	3,599
Tax effect of expenses that are not deductible in determining taxable profit	50	64
Adjustments in respect of prior years	(306)	-
Group relief	-	(5,456)
Depreciation on assets not qualifying for tax allowances	202	202
Adjust deferred tax to closing rate	(130)	(142)
Taxation charge/(credit) for the year	<u>3,868</u>	<u>(1,733)</u>

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

9 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2019	30,000
Disposals	(30,000)
	<u>-</u>
At 31 December 2019	<u>-</u>
Amortisation and impairment	
At 1 January 2019	30,000
Disposals	(30,000)
	<u>-</u>
At 31 December 2019	<u>-</u>
Carrying amount	
At 31 December 2019	<u>-</u>
	<u>-</u>
At 31 December 2018	<u>-</u>

10 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2019	33,482	108,753	11,795	11,501	165,531
Additions	-	31,978	595	-	32,573
	<u>33,482</u>	<u>140,731</u>	<u>12,390</u>	<u>11,501</u>	<u>198,104</u>
At 31 December 2019	<u>33,482</u>	<u>140,731</u>	<u>12,390</u>	<u>11,501</u>	<u>198,104</u>
Depreciation and impairment					
At 1 January 2019	8,017	82,909	5,654	11,501	108,081
Depreciation charged in the year	3,348	10,338	2,462	-	16,148
	<u>11,365</u>	<u>93,247</u>	<u>8,116</u>	<u>11,501</u>	<u>124,229</u>
At 31 December 2019	<u>11,365</u>	<u>93,247</u>	<u>8,116</u>	<u>11,501</u>	<u>124,229</u>
Carrying amount					
At 31 December 2019	<u>22,117</u>	<u>47,484</u>	<u>4,274</u>	<u>-</u>	<u>73,875</u>
	<u>22,117</u>	<u>47,484</u>	<u>4,274</u>	<u>-</u>	<u>73,875</u>
At 31 December 2018	<u>25,465</u>	<u>25,844</u>	<u>6,141</u>	<u>-</u>	<u>57,450</u>
	<u>25,465</u>	<u>25,844</u>	<u>6,141</u>	<u>-</u>	<u>57,450</u>

11 Stocks

	2019 £	2018 £
Finished goods and goods for resale	<u>11,733</u>	<u>13,549</u>

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

12 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	124,931	111,572
Amounts owed by group undertakings	-	6,754
Prepayments and accrued income	13,979	11,962
	<u>138,910</u>	<u>130,288</u>

13 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	29,090	36,122
Amounts owed to group undertakings	8,224	22,617
Taxation and social security	28,479	22,934
Other creditors	3,593	2,914
Accruals and deferred income	5,648	11,996
	<u>75,034</u>	<u>96,583</u>

14 Provisions for liabilities

	Notes	2019 £	2018 £
Deferred tax liabilities	15	<u>2,004</u>	<u>1,203</u>

15 Deferred taxation

The major deferred tax liabilities and assets recognised by the company are:

	Liabilities 2019 £	Liabilities 2018 £
Balances:		
Accelerated capital allowances	2,388	1,203
Short term timing differences	(384)	-
	<u>2,004</u>	<u>1,203</u>

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

15 Deferred taxation (Continued)

	2019 £
Movements in the year:	
Liability at 1 January 2019	1,203
Charge to profit or loss	801
Liability at 31 December 2019	<u>2,004</u>

As at the signing date of these financial statements, the company has not finalised its capital expenditure programme for the forthcoming year and therefore an assessment as to the likely movement of other related timing differences cannot be made.

16 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>16,886</u>	<u>23,451</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Included within other creditors at the year end are outstanding pension contributions totalling £2,256 (2018: £1,577).

17 Share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

18 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	29,564	29,000
Between two and five years	13,068	42,633
	<u>42,632</u>	<u>71,633</u>

THE CANOPY COMPANY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

19 Related party transactions

The company has taken advantage of the disclosure exemption relating to section 33.1A of the standard with regards to the requirement of disclosing transactions with fellow group entities.

20 Ultimate controlling party

The immediate parent undertaking is Pentland Wholesale Limited, a company incorporated in the UK.

The ultimate parent undertaking is Pentland Group Limited (formerly known as "Pentland Group Plc"), a company registered in England and Wales. R S Rubin and his close family are considered the ultimate controlling party by virtue of their control of Pentland Group Limited. Consolidated financial statements will be prepared by Pentland Group Limited, which is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements for the year ended 31 December 2019. The consolidated financial statements of Pentland Group Limited can be obtained from the company's registered office at 8 Manchester Square, London, W1U 3PH.