Registered number: 05552547

CRYSTAL GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 OCTOBER 2018

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COMPANY INFORMATION

Directors	M Ballard A Boland
Registered number	05552547
Registered office	Crystal House Unit 1 King George Close Romford Essex RM7 7PN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 80 Compair Crescent Ipswich Suffolk IP2 0EH

CRYSTAL GROUP LIMITED

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Group Strategic Report
FOR THE PERIOD ENDED 28 OCTOBER 2018

Business review

During the period, the Group's gross profit margin has reduced to 43.4% compared to 44.4% in the previous year. Average staff headcount was 251 for the period and turnover per head was £108,392. Prior period figures were 251 and £109,179 respectively.

Principal risks and uncertainties

The principal risk facing the Group is the tough trading conditions being experienced by many retail and home improvements companies. The Group operates within a competitive market, where reputation and brand are very important to the consumer. To reduce this risk the Group monitors customer feedback and aims to improve where it has fallen below the standards customers required.

Changes to the economy can have an impact upon the performance of the Group and steps are taken to maintain costs at suitable levels and to ensure that our products offer value for money to the customer.

The Group aims to minimise financial risk in its operations by the identification and mitigation of key risk areas. The key areas of risk identified by the directors are market risk, price risk and credit risk.

The measures used by the directors to manage general financial, market and price risks include the preparation of management accounts and the regular monitoring of actual performance against previous periods and budgets.

Credit risk, as identified by the directors, arises from the Group's trade debtors. In order to manage credit risk the directors obtain credit checks for new customers and ensure that those customers provided with credit are reviewed on a regular basis in conjunction with debt ageing and collection history.

The Group does not actively use financial instruments as part of its financial risk management. It is exposed to normal credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of the financial instruments means that they are not subject to price risk or liquidity risk.

Financial key performance indicators

As noted above, the key financial performance indicators are gross profit margin and turnover per head.

This report was approved by the board on 26th February 2019 and signed on its behalf.

A Boland
Director

DIRECTORS' REPORT
FOR THE PERIOD ENDED 28 OCTOBER 2018

The directors present their report and the financial statements for the period ended 28 October 2018.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the company and Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and the Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in The Strategic and Directors' Reports may differ from legislation in other jurisdictions.

Results and dividends

The loss for the period, after taxation, amounted to £219,494 *(2017 - profit £25,334)*.

There were no dividends paid or proposed during the year.

Directors

The directors who served during the period were:

M Ballard
A Boland

Future developments

We will continue to ensure that our current product range is appealing to potential customers and any enhancements are incorporated into the products we offer. In addition we will look to add products that compliment our existing range and that add value for the consumer.

Employee involvement

The Group recognises the importance of employee involvement in increasing their understanding of the organisation, utilising their talents, enabling them to influence decisions and thereby encouraging commitment to the goals of the organisation.

The Group believes that such involvement will improve efficiency, quality, increase job satisfaction and encourage an environment of co-operation.

In recognition of the importance of employee involvement the Group has devoted time and effort to ensuring that employees are well informed about those aspects of its business which affect them.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of employees becoming disabled, every effort is made to retain them in order that their employment with the Company may continue. It is the policy of the Group that training, career development and promotion opportunities should be available to all employees.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Post balance sheet events

There were no post balance sheet events.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 26th February 2019. and signed on its behalf.

A Boland
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRYSTAL GROUP LIMITED

Opinion

We have audited the financial statements of Crystal Group Limited (the 'parent Company') and its subsidiaries (the 'Group') for the period ended 28 October 2018, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 28 October 2018 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent 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 directors are responsible for the 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement on page 2, 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 Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's Report.

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.

Grant Thornton UK LLP

James Brown LLB ACA (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Ipswich
Date: 8 March 2019

Consolidated Statement of Comprehensive Income
FOR THE PERIOD ENDED 28 OCTOBER 2018

	Note	2018 £	2017 £
Turnover	4	**27,206,424**	*27,404,018*
Cost of sales		**(15,406,041)**	*(15,224,032)*
Gross profit		**11,800,383**	*12,179,986*
Distribution costs		**(5,548,331)**	*(5,692,267)*
Administrative expenses		**(6,125,974)**	*(6,356,744)*
Other operating income	5	**76,640**	*52,270*
Operating profit	6	**202,718**	*183,245*
Interest payable and similar charges	10	**(145,475)**	*(188,156)*
Profit/(loss) before taxation		**57,243**	*(4,911)*
Tax on profit/(loss)	11	**(276,737)**	*30,245*
(Loss)/profit for the financial period		**(219,494)**	*25,334*
(Loss)/profit for the period attributable to:			
Owners of the parent Company		**(219,494)**	*25,334*
		(219,494)	*25,334*

There were no recognised gains and losses for 2018 or 2017 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2018 (2017:£NIL).

The notes on pages 13 to 32 form part of these financial statements.

CRYSTAL GROUP LIMITED
REGISTERED NUMBER: 05552547

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 OCTOBER 2018

	Note		28 October 2018 £		*29 October 2017 £*
Fixed assets					
Intangible assets	12		**4,985,531**		*6,278,009*
Tangible assets	13		**271,104**		*270,097*
			5,256,635		*6,548,106*
Current assets					
Stocks	15	**194,169**		*187,087*	
Debtors: amounts falling due within one year	16	**869,726**		*983,211*	
Cash at bank and in hand	17	**3,938,417**		*3,030,744*	
		5,002,312		*4,201,042*	
Creditors: amounts falling due within one year	18	**(4,169,951)**		*(3,636,472)*	
Net current assets			**832,361**		*564,570*
Total assets less current liabilities			**6,088,996**		*7,112,676*
Creditors: amounts falling due after more than one year	19		**(2,143,185)**		*(2,973,014)*
Provisions for liabilities					
Deferred taxation	23	**(25,643)**		-	
Other provisions	24	**(164,000)**		*(164,000)*	
			(189,643)		*(164,000)*
Net assets			**3,756,168**		*3,975,662*
Capital and reserves					
Called up share capital	25		**36,050**		*36,050*
Capital redemption reserve	26		**16,250**		*16,250*
Other reserves	26		**3,907,513**		*3,907,513*
Profit and loss account	26		**(203,645)**		*15,849*
Equity attributable to owners of the parent Company			**3,756,168**		*3,975,662*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26/02/19

A Boland
Director

The notes on pages 13 to 32 form part of these financial statements.

CRYSTAL GROUP LIMITED
REGISTERED NUMBER: 05552547

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 28 OCTOBER 2018

	Note		28 October 2018 £		*29 October 2017 £*
Fixed assets					
Investments	14		**10,934,936**		*10,934,936*
Current assets					
Debtors: amounts falling due after more than one year	16	**20,055,874**		*19,471,723*	
		20,055,874		*19,471,723*	
Total assets less current liabilities			**30,990,810**		*30,406,659*
Creditors: amounts falling due after more than one year	19		**(26,337,834)**		*(25,570,714)*
Net assets			**4,652,976**		*4,835,945*
Capital and reserves					
Called up share capital	25		**36,050**		*36,050*
Capital redemption reserve	26		**16,250**		*16,250*
Other reserves	26		**3,907,513**		*3,907,513*
Profit and loss account	26		**693,163**		*876,132*
			4,652,976		*4,835,945*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Statement of Comprehensive Income in these financial statements. The Loss after tax of the parent Company for the year was £182,969 (2017 loss: £258,629).

A Boland
Director

The notes on pages 13 to 32 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 OCTOBER 2018

	Called up share capital	Capital redemption reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 30 October 2017	36,050	16,250	3,907,513	15,849	3,975,662
Comprehensive income for the period					
Loss for the period	-	-	-	(219,494)	(219,494)
Contributions by and distributions to owners					
At 28 October 2018	36,050	16,250	3,907,513	(203,645)	3,756,168

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Period Ended 29 OCTOBER 2017

	Called up share capital	Capital redemption reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 31 October 2016	36,050	16,250	3,907,513	(9,485)	3,950,328
Comprehensive income for the period					
Profit for the period	-	-	-	25,334	25,334
At 29 October 2017	36,050	16,250	3,907,513	15,849	3,975,662

The notes on pages 13 to 32 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 OCTOBER 2018

	Called up share capital	Capital redemption reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 30 October 2017	**36,050**	**16,250**	**3,907,513**	**876,132**	**4,835,945**
Comprehensive income for the period					
Loss for the period	**-**	**-**	**-**	**(182,969)**	**(182,969)**
At 28 October 2018	**36,050**	**16,250**	**3,907,513**	**693,163**	**4,652,976**

COMPANY STATEMENT OF CHANGES IN EQUITY
For the Period Ended 29 OCTOBER 2017

	Called up share capital	Capital redemption reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 31 October 2016	**36,050**	**16,250**	**3,907,513**	**1,134,761**	**5,094,574**
Comprehensive income for the period					
Loss for the period	**-**	**-**	**-**	**(258,629)**	**(258,629)**
At 29 October 2017	**36,050**	**16,250**	**3,907,513**	**876,132**	**4,835,945**

The notes on pages 13 to 32 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the Period Ended 28 October 2018

	28 October 2018 £	*29 October 2017 £*
Cash flows from operating activities		
(Loss)/Profit for the financial period	**(219,494)**	*25,334*
Adjustments for:		
Amortisation of intangible assets	**1,292,478**	*1,292,478*
Depreciation of tangible assets	**178,376**	*210,959*
Profit on disposal of tangible assets	**(3,042)**	*(778)*
Interest paid	**145,475**	*188,156*
Taxation charge	**276,737**	*(30,245)*
(Increase)/decrease in stocks	**(7,082)**	*4,348*
(Increase) in debtors	**(42,506)**	*(281,383)*
Increase in creditors	**221,069**	*13,091*
Corporation tax received/(paid)	**155,991**	*(504,448)*
Net cash generated from operating activities	**1,998,002**	*917,512*
Cash flows from investing activities		
Purchase of tangible fixed assets	**-**	*(15,148)*
Proceeds on sale of tangible fixed assets	**3,042**	*8,666*
HP interest paid	**(27,702)**	*(9,478)*
Net cash from investing activities	**(24,660)**	*(15,960)*
Cash flows from financing activities		
(Repayment)/drawdown of loans	**(857,267)**	*889,500*
Repayment of debenture loans	**-**	*(1,661,261)*
Repayment of finance leases	**(90,629)**	*(131,681)*
Interest paid	**(117,773)**	*(178,678)*
Net cash used in financing activities	**(1,065,669)**	*(1,082,120)*
Net increase/(decrease) in cash and cash equivalents	**907,673**	*(180,568)*
Cash and cash equivalents at beginning of period	**3,030,744**	*3,211,312*
Cash and cash equivalents at the end of period	**3,938,417**	*3,030,744*
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	**3,938,417**	*3,030,744*

1. General information

The company is limited by shares and is incorporated in England and Wales. The registered office address is Crystal House Unit 1, King George Close, Eastern Avenue, Romford, Essex, RM7 7PN.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 27 October 2014.

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2. Accounting policies (continued)

2.5 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant & machinery	-	25%	straight line
Motor vehicles	-	25%	straight line
Fixtures & fittings	-	25%	straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted averagebasis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2. Accounting policies (continued)

2.10 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Group has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 27 October 2014 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Consolidated Statement of Comprehensive Income in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make certain judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Tangible assets depreciation:

The depreciation rates are calculated according to the useful economic life that the directors believe to be appropriate based on the nature of the asset in operation.

Bad debt provision:

The directors recognise bad debts when they have to take legal action against customers to recover the balance due.

Warranty provision:

The directors have a warranty provision in place which is based on current year claims made.

Goodwill impairment:

The carrying value of goodwill is supported by the present value of future cashflows derived from cash generating units to which the goodwill is associated.

4. Turnover

The whole of the turnover is attributable to the principal activity of Crystal Windows & Doors Limited, a wholly owed subsidiary of Crystal Group Limited. All turnover arose in the United Kingdom

5. Other operating income

	2018	*2017*
	£	*£*
Commissions receivable	**76,640**	*52,270*

6. Operating profit

The operating profit is stated after charging:

	2018	*2017*
	£	*£*
Depreciation of owned tangible fixed assets	**57,154**	*77,750*
Depreciation of tangible fixed assets under HP	**121,222**	*132,810*
Amortisation of intangible assets, including goodwill	**1,292,478**	*1,292,478*
Other operating lease rentals	**334,523**	*253,779*
Defined contribution pension cost	**96,854**	*48,703*

7. Auditor's remuneration

	2018 £	2017 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	**22,000**	*22,000*
Fees payable to the Company's auditor and its associates in respect of:		
Tax compliance	**6,000**	*5,000*
Tax advisory services	**18,000**	-

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 28 October 2018 £	Group 29 October 2017 £	Company 28 October 2018 £	Company 29 October 2017 £
Wages and salaries	**5,353,036**	*5,402,936*	-	-
Social security costs	**474,289**	*466,949*	-	-
Cost of defined contribution scheme	**96,854**	*48,703*	-	-
	5,924,179	*5,918,588*	-	-

The average monthly number of employees, including the directors, during the period was as follows:

	2018 No.	2017 No.
Manufacturing and selling	**146**	*142*
Administration	**105**	*109*
	251	*251*

9. Directors' remuneration

	2018 £	*2017* *£*
Directors' emoluments	**727,336**	*834,276*
Directors pension costs	**2,592**	*1,210*
	729,928	*835,486*

During the period retirement benefits were accruing to 3 directors *(2017 - 2)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £225,000 *(2017 - £240,892)*.

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL *(2017 - £383)*.

Key management personnel compensation in the year amounted to £813,822 (2017: £1,004,381).

10. Interest payable and similar charges

	2018 £	*2017* *£*
Bank interest payable	**117,773**	*97,689*
Finance leases and hire purchase contracts	**27,702**	*9,478*
Other interest payable	**-**	*80,989*
	145,475	*188,156*

11. Taxation

	2018 £	*2017* *£*
Corporation tax		
Current tax on profits for the year	**251,094**	-
Adjustments in respect of previous periods	**-**	*(30,245)*
	251,094	*(30,245)*
Total current tax	**251,094**	*(30,245)*
Deferred tax		
Origination and reversal of timing differences	**25,643**	-
Total deferred tax	**25,643**	-
Taxation on profit/(loss) on ordinary activities	**276,737**	*(30,245)*

Factors affecting tax charge/(credit) for the period

The tax assessed for the period is higher than *(2017 - lower than)* the standard rate of corporation tax in the UK of 19% *(2017 - 19.41%)*. The differences are explained below:

	2018 £	*2017* *£*
Profit/(loss) on ordinary activities before tax	**57,243**	*(4,911)*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.41%)	**10,876**	-
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**245,571**	*250,870*
Deferred tax not recognised	**20,699**	*(235,804)*
Adjustments to tax charge in respect of prior periods	**-**	*(30,245)*
Other differences leading to an increase (decrease) in the tax charge	**(409)**	*(15,066)*
Total tax charge for the period	**276,737**	*(30,245)*

11. Taxation (continued)

Factors that may affect future tax charges

At the period end there was an unprovided deferred tax asset of £20,994 within Crystal Group Limited in respect of timing differences on losses and other deductions (2017: £59,178).

There was an unprovided deferred tax liability of £20,699 within Crystal Windows and Doors in respect of excess depreciation over capital allowances (2017: £20,699).

12. Intangible assets

Group

	Goodwill £
Cost	
At 30 October 2017	**21,063,415**
At 28 October 2018	**21,063,415**
Amortisation	
At 30 October 2017	**14,785,406**
Charge for the year	**1,292,478**
At 28 October 2018	**16,077,884**
Net book value	
At 28 October 2018	**4,985,531**
At 29 October 2017	*6,278,009*

Amortisation is charged to the Statement of Comprehensive Income in the year.

13. Tangible fixed assets

Group

	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation				
At 30 October 2017	**885,630**	**1,734,900**	**500,482**	**3,121,012**
Additions	**3,245**	**176,138**	**-**	**179,383**
Disposals	**-**	**(97,783)**	**-**	**(97,783)**
At 28 October 2018	**888,875**	**1,813,255**	**500,482**	**3,202,612**
Depreciation				
At 30 October 2017	**835,734**	**1,544,643**	**470,538**	**2,850,915**
Charge for the period	**37,094**	**121,222**	**20,060**	**178,376**
Disposals	**-**	**(97,783)**	**-**	**(97,783)**
At 28 October 2018	**872,828**	**1,568,082**	**490,598**	**2,931,508**
Net book value				
At 28 October 2018	**16,047**	**245,173**	**9,884**	**271,104**
At 29 October 2017	*49,896*	*190,257*	*29,944*	*270,097*

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	28 October 2018 £	*29 October 2017 £*
Motor vehicles	**241,012**	*210,186*
	241,012	*210,186*

14. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Crystal Windows & Doors Limited	Ordinary	100 %	Installation of home improvement products
Crystal Home Improvements Holdings Limited	Ordinary	100 %	Holding company
Crystal Home Improvements Group Limited	Ordinary	100 %	Holding company
Glasspro Limited	Ordinary	100 %	Dissolved

The aggregate of the share capital and reserves as at 28 October 2018 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Crystal Windows & Doors Limited	**18,313,522**	**1,642,194**
Crystal Home Improvements Holdings Limited	**4,452,389**	**(109,466)**
Crystal Home Improvements Group Limited	**(504,215)**	**(276,774)**
	22,261,696	**1,255,954**

14. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 29 October 2017	**10,934,936**
At 28 October 2018	**10,934,936**
Net book value	
At 28 October 2018	**10,934,936**
At 29 October 2017	*10,934,936*

15. Stocks

	Group 28 October 2018 £	*Group 29 October 2017 £*	**Company 28 October 2018 £**	*Company 29 October 2017 £*
Raw materials and consumables	**151,892**	*153,578*	**-**	-
Work in progress	**42,277**	*33,509*	**-**	-
	194,169	*187,087*	**-**	-

The difference between purchase price or production cost of stocks and their replacement cost is not material.

Stock recognised in cost of sales during the year as an expense was £7,915,207 (2017: £7,646,967).

16. Debtors

	Group 28 October 2018 £	*Group 29 October 2017 £*	Company 28 October 2018 £	*Company 29 October 2017 £*
Due after more than one year				
Amounts owed by group undertakings	-	-	**20,055,874**	*19,471,723*
	-	-	**20,055,874**	*19,471,723*

	Group 28 October 2018 £	*Group 29 October 2017 £*
Due within one year		
Trade debtors	**790,378**	*690,752*
Other debtors	**23,039**	*1,908*
Prepayments and accrued income	**56,309**	*134,560*
Tax recoverable	-	*155,991*
	869,726	*983,211*

17. Cash and cash equivalents

	Group 28 October 2018 £	*Group 29 October 2017 £*	Company 28 October 2018 £	*Company 29 October 2017 £*
Cash at bank and in hand	**3,938,417**	*3,030,744*	-	-

18. Creditors: Amounts falling due within one year

	Group 28 October 2018 £	*Group 29 October 2017 £*	**Company 28 October 2018 £**	*Company 29 October 2017 £*
Bank loans	**897,880**	*859,973*	**-**	-
Trade creditors	**1,692,029**	*1,478,440*	**-**	-
Corporation tax	**251,094**	-	**-**	-
Other taxation and social security	**808,507**	*664,866*	**-**	-
Obligations under finance lease and hire purchase contracts	**110,061**	*86,652*	**-**	-
Other creditors	**16,371**	*9,670*	**-**	-
Accruals and deferred income	**394,009**	*536,871*	**-**	-
	4,169,951	*3,636,472*	**-**	-

19. Creditors: Amounts falling due after more than one year

	Group 28 October 2018 £	*Group 29 October 2017 £*	**Company 28 October 2018 £**	*Company 29 October 2017 £*
Bank loans	**2,021,853**	*2,917,027*	**-**	-
Obligations under finance leases and hire purchase contracts	**121,332**	*55,987*	**-**	-
Amounts owed to group undertakings	**-**	-	**26,337,834**	*25,570,714*
	2,143,185	*2,973,014*	**26,337,834**	*25,570,714*

Hire purchase creditors are secured on the assets to which they relate. Bank loans are secured over the assets of the Group.

20. Loans

	Group 28 October 2018 £	*Group 29 October 2017 £*	**Company 28 October 2018 £**	*Company 29 October 2017 £*
Amounts falling due within one year				
Bank loans	**897,880**	*859,973*	**-**	-
Amounts falling due 1-2 years				
Bank loans	**897,880**	*970,670*	**-**	-
	897,880	*970,670*	**-**	-
Amounts falling due 2-5 years				
Bank loans	**1,123,973**	*1,946,357*	**-**	-
	2,919,733	*3,777,000*	**-**	-

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 28 October 2018 £	*Group 29 October 2017 £*
Within one year	**110,061**	*86,652*
Between 1-2 years	**48,026**	*48,281*
Between 2-5 years	**73,306**	*7,706*
	231,393	*142,639*

22. Financial instruments

	Group 28 October 2018 £	*Group 29 October 2017 £*	Company 28 October 2018 £	*Company 29 October 2017 £*
Financial assets				
Financial assets that are debt instruments measured at amortised cost	**4,751,834**	*3,723,404*	**20,055,874**	*19,471,723*
	4,751,834	*3,723,404*	**20,055,874**	*19,471,723*
Financial liabilities				
Financial liabilities measured at amortised cost	**(5,020,594)**	*(5,801,980)*	**(26,337,836)**	*(25,570,714)*

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings, cash and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, bank loans, amounts owed to group undertakings, amounts owed under hire purchase, accruals and other creditors.

23. Deferred taxation

Group

	2018 £
Charged to profit or loss	**(25,643)**
At end of year	**(25,643)**

At end of year

	Group 28 October 2018 £
Accelerated capital allowances	**(26,036)**
Short term timing differences	**393**
	(25,643)

24. Provisions

Group

	Warranty provision £
At 30 October 2017	**164,000**
At 28 October 2018	**164,000**

25. Share capital

	28 October 2018 £	*29 October 2017 £*
Shares classified as equity		
Allotted, called up and fully paid		
36,050 Ordinary shares of £1 each	**36,050**	*36,050*

26. Reserves

Capital redemption reserve

The capital redemption reserve represents the nominal value of share buybacks into the Group.

Other reserves

The other equity reserve represents the equity element of the loan finance and was calculated as the difference between the actual funds raised from the issue of the Tertiary B loan notes and the fair value of those loan notes at the time the funds were obtained.

Profit & loss account

Includes all current and prior period retained profits and losses less dividends paid.

27. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £96,854 (2017: £48,703). Contributions totalling £5,777 (2017: £3,288) were payable to the fund at the Statement of Financial Position date and are included in creditors.

28. Commitments under operating leases

At 28 October 2018 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 28 October 2018 £	*Group 29 October 2017 £*
Not later than 1 year	**300,000**	*258,438*
Later than 1 year and not later than 5 years	**900,000**	-
	1,200,000	*258,438*

29. Related party transactions

Advantage has been taken of the exemption conferred by FRS 102, section 33 from the requirement to disclose transactions with other companies within the Group.

30. Capital commitments

There were no capital commitments at 28 October 2018 or 29 October 2017..

31. Subsidiary undertakings

Crystal Group Limited owns 100% of the share capital of Crystal Home Improvements Holdings Limited. Crystal Home Improvements Holdings Limited owns 100% of the share capital of Crystal Home Improvements Group Limited. Crystal Home Improvements Group Limited owns 100% of the share capital of Crystal Windows & Doors Limited. Crystal Windows & Doors Limited owns 100% of the share capital of Glasspro Limited, a company dissolved during the financial period.

The principal activity of Crystal Windows & Doors Limited is the manufacturing and installation of double glazing and other home improvement products. The other companies in the Group are holding companies. All companies within the Group are incorporated in England, and their results have been included in these consolidated financial statements.