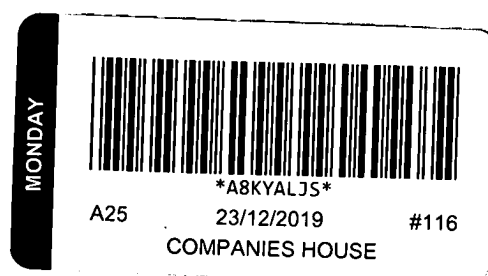


Report of the Directors and
Unaudited Consolidated Financial Statements for the Year Ended 31 July 2019
for
Stuart Canvas Group Limited



**Contents of the Consolidated Financial Statements
for the Year Ended 31 July 2019**

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Stuart Canvas Group Limited

**Company Information
for the Year Ended 31 July 2019**

DIRECTORS: E A Stoddart
N I Coward

SECRETARY: E A Stoddart

REGISTERED OFFICE: Unit 6, Hardwick Grange
Woolston
Warrington
Cheshire
WA1 4RF

REGISTERED NUMBER: 05736370 (England and Wales)

ACCOUNTANTS: Voisey & Co
Chartered Accountants
8 Winmarleigh Street
Warrington
Cheshire
WA1 1JW

Stuart Canvas Group Limited

**Report of the Directors
for the Year Ended 31 July 2019**

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

REVIEW OF BUSINESS

The last year has been one of consolidation of the group. With our first full year of having Mudfords within the group the results have proven to hit the target were expecting. Trading was on par with expectations with the sports sector once again performing well. Within our industrial sector the retractable buildings continue to perform well with good growth year on year.

The consolidation of Mudfords into the group is taking a little longer than expected but we are investing in new IT as well as opening a new warehouse within the last year which is dedicated to shipping stock as the orders land. The cross selling from each business has also helped while the extra capacity we now have in the group means we can service more clients quicker with each of the 4 manufacturing facilities having their own USP.

The group has made progress and the next financial year will also be one of consolidation bringing all aspects together.

DIRECTORS

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

E A Stoddart

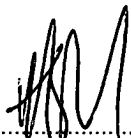
N I Coward

Other changes in directors holding office are as follows:

C G Hellyer - resigned 25 September 2018

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:



.....
E A Stoddart - Secretary

Date:

19/12/19

**Consolidated Income Statement
for the Year Ended 31 July 2019**

	Notes	31.7.19 £	31.7.18 £
TURNOVER		7,857,544	5,508,952
Cost of sales		<u>(5,346,553)</u>	<u>(3,387,607)</u>
GROSS PROFIT		2,510,991	2,121,345
Administrative expenses		<u>(2,140,821)</u>	<u>(1,998,756)</u>
		370,170	122,589
Other operating income		<u>8,840</u>	<u>7,367</u>
OPERATING PROFIT	4	379,010	129,956
Interest payable and similar expenses		<u>(52,900)</u>	<u>(16,588)</u>
PROFIT BEFORE TAXATION		326,110	113,368
Tax on profit		<u>(45,493)</u>	<u>(16,174)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>280,617</u>	<u>97,194</u>
Profit attributable to: Owners of the parent		<u>280,617</u>	<u>97,194</u>

Consolidated Balance Sheet
31 July 2019

	Notes	31.7.19 £	31.7.18 £
FIXED ASSETS			
Intangible assets	6	(153,732)	(247,695)
Tangible assets	7	198,194	209,040
Investments	8	-	-
		<u>44,462</u>	<u>(38,655)</u>
CURRENT ASSETS			
Stocks		974,970	943,182
Debtors	9	1,665,820	1,729,637
Cash at bank and in hand		304,297	449,849
		<u>2,945,087</u>	<u>3,122,668</u>
CREDITORS			
Amounts falling due within one year	10	(1,404,319)	(1,645,619)
NET CURRENT ASSETS		<u>1,540,768</u>	<u>1,477,049</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,585,230	1,438,394
CREDITORS			
Amounts falling due after more than one year	11	(147,324)	(280,000)
PROVISIONS FOR LIABILITIES		<u>(89,984)</u>	<u>(91,089)</u>
NET ASSETS		<u><u>1,347,922</u></u>	<u><u>1,067,305</u></u>
CAPITAL AND RESERVES			
Called up share capital		377,500	377,500
Capital redemption reserve		160,000	160,000
Retained earnings		810,422	529,805
SHAREHOLDERS' FUNDS		<u><u>1,347,922</u></u>	<u><u>1,067,305</u></u>

The company and the group are entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2019.

The members have not required the company and the group to obtain an audit of its financial statements for the year ended 31 July 2019 in accordance with Section 476 of the Companies Act 2006.

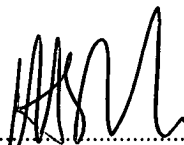
The directors acknowledge their responsibilities for:

- ensuring that the group keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company and the group as at the end of each financial year and of the group's profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company and the group.

Consolidated Balance Sheet - continued
31 July 2019

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 19/12/19 and were signed on its behalf by:



.....
E A Stoddart - Director

Company Balance Sheet
31 July 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Intangible assets	6	-	-
Tangible assets	7	563	-
Investments	8	<u>1,258,594</u>	<u>1,258,594</u>
		1,259,157	1,258,594
CURRENT ASSETS			
Debtors	9	70,079	81,080
Cash at bank		<u>100</u>	<u>-</u>
		70,179	81,080
CREDITORS			
Amounts falling due within one year	10	<u>651,498</u>	<u>520,000</u>
NET CURRENT LIABILITIES		<u>(581,319)</u>	<u>(438,920)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		677,838	819,674
CREDITORS			
Amounts falling due after more than one year	11	<u>140,000</u>	<u>280,000</u>
NET ASSETS		<u>537,838</u>	<u>539,674</u>
CAPITAL AND RESERVES			
Called up share capital		377,500	377,500
Capital redemption reserve		160,000	160,000
Retained earnings		<u>338</u>	<u>2,174</u>
SHAREHOLDERS' FUNDS		<u>537,838</u>	<u>539,674</u>
Company's (loss)/profit for the financial year		<u>(1,836)</u>	<u>75,000</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

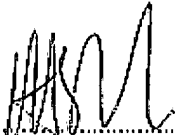
The notes form part of these financial statements

Stuart Canvas Group Limited (Registered number: 05736370)

Company Balance Sheet - continued
31 July 2019

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 19/12/19 and were signed on its behalf by:



.....
E A Sloddart - Director

The notes form part of these financial statements

Stuart Canvas Group Limited
Consolidated Statement of Changes in Equity
for the Year Ended 31 July 2019

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 August 2017	425,500	505,616	112,000	1,043,116
Changes in equity				
Issue of share capital	(48,000)	-	-	(48,000)
Total comprehensive income	<u>-</u>	<u>24,189</u>	<u>48,000</u>	<u>72,189</u>
Balance at 31 July 2018	<u>377,500</u>	<u>529,805</u>	<u>160,000</u>	<u>1,067,305</u>
Changes in equity				
Total comprehensive income	<u>-</u>	<u>280,617</u>	<u>-</u>	<u>280,617</u>
Balance at 31 July 2019	<u><u>377,500</u></u>	<u><u>810,422</u></u>	<u><u>160,000</u></u>	<u><u>1,347,922</u></u>

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 August 2017	425,500	179	112,000	537,679
Changes in equity				
Issue of share capital	(48,000)	-	-	(48,000)
Total comprehensive income	-	1,995	48,000	49,995
Balance at 31 July 2018	<u>377,500</u>	<u>2,174</u>	<u>160,000</u>	<u>539,674</u>
Changes in equity				
Total comprehensive income	-	(1,836)	-	(1,836)
Balance at 31 July 2019	<u><u>377,500</u></u>	<u><u>338</u></u>	<u><u>160,000</u></u>	<u><u>537,838</u></u>

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

1. **STATUTORY INFORMATION**

Stuart Canvas Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 section 1A, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Monetary amounts in these financial statements are rounded to the nearest £.

The principal accounting policies adopted are set out below.

Basis of consolidation

The group financial statements consolidate the financial statements of Stuart Canvas Group Limited and all its subsidiaries drawn up to 31st July each year.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continues to consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities.

Significant judgements and estimates

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.

Turnover

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

Goodwill

The Group established a reliable estimate of the useful life of goodwill arising on business combinations as 5 years. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment. Intangible assets are amortised on a straight line basis over their estimated useful life.

The useful economic life of intangibles are as follows:

Negative Goodwill - 5 years
Goodwill - 5 years

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 25% on reducing balance and 20% on reducing balance
Fixtures and fittings	- 25% on reducing balance and 20% on reducing balance
Motor vehicles	- 25% on reducing balance

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with bank, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position 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 net asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities include debentures which are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, 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.

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

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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

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

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

Employee benefits

The costs of short-term employee benefits are recognised as an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

Provisions

A provision is recognised in the balance sheet when the company has a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are recognised at their discounted net present value.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 92 (2018 - 92).

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

4. **OPERATING PROFIT**

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

	31.7.19	31.7.18
	£	£
Depreciation - owned assets	70,078	57,602
Goodwill amortisation	(93,963)	8,830
Negative goodwill amortisation	<u>(104,559)</u>	<u>(43,566)</u>

5. **INDIVIDUAL INCOME STATEMENT**

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

6. **INTANGIBLE FIXED ASSETS**

Group

	Goodwill £	Negative Goodwill £	Total £
COST			
At 1 August 2018	52,990	(335,421)	(282,431)
Additions	-	-	-
Disposals	-	-	-
At 31 July 2019	<u>52,990</u>	<u>(335,421)</u>	<u>(283,431)</u>
AMORTISATION			
At 1 August 2018	8,830	(43,566)	(34,736)
Charge for year	10,596	(104,559)	(93,936)
At 31 July 2019	<u>19,426</u>	<u>(148,125)</u>	<u>(128,699)</u>
NET BOOK VALUE			
At 31 July 2019	<u>33,564</u>	<u>(187,296)</u>	<u>(153,732)</u>
At 31 July 2018	<u>44,160</u>	<u>(291,855)</u>	<u>(247,695)</u>

Negative goodwill is being written off on a straight line basis over a period of 2-5 years which is equal to the period over which the related non-monetary assets of the acquired business are being depreciated.

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

7. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures and Fittings £	Motor Vehicles £	Total £
COST				
At 1 August 2018	476,767	50,011	266,570	793,348
Additions	7,204	2,701	52,533	62,438
Disposals	-	-	(24,900)	(24,900)
At 31 July 2019	483,971	52,712	294,203	830,886
AMORTISATION				
At 1 August 2018	373,113	40,793	170,402	584,308
Charge for year	32,505	2,368	35,205	70,078
Eliminated on disposal	-	-	(21,694)	(21,694)
At 31 July 2019	405,618	43,161	183,913	632,692
NET BOOK VALUE				
At 31 July 2019	78,353	9,551	110,290	198,194
At 31 July 2018	103,654	9,218	96,168	209,040

Company

	Plant and machinery £
COST	
Additions	600
At 31 July 2019	600
DEPRECIATION	
Charge for year	37
At 31 July 2019	37
NET BOOK VALUE	
At 31 July 2019	563

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

8. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 1 August 2018	1,258,594
At 31 July 2019	1,258,594
NET BOOK VALUE	
At 31 July 2019	1,258,594
At 31 July 2018	1,258,594

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

Company	Principal activity
Stuart Canvas Limited	Manufacture and sale of industrial tarpaulins and covers
Bennett Covers Limited	Manufacture and sale of industrial tarpaulins and covers
Mudfords Limited	Manufacture and sale of industrial tarpaulins and covers

The company holds 100% of the share capital in each of the above subsidiaries.

The registered offices of the above companies are: Unit 6, Hardwick Grange, Woolston, Warrington, Cheshire, WA1 4RF. With exception of Mudfords, which has a registered address of: Ropeman Works, 400 Petre Street, Sheffield, S4 8LU.

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

	Group		Company	
	31.7.19	31.7.18	31.7.19	31.7.18
	£	£	£	£
Trade debtors	1,524,907	1,630,783	16,164	-
Amounts owed by group undertakings	-	-	30,364	81,080
Other debtors	61,484	45,940	-	-
VAT	9,953	-	9,953	-
Prepayments and accrued income	69,476	52,914	13,598	-
	<u>1,665,820</u>	<u>1,729,637</u>	<u>70,079</u>	<u>81,080</u>

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

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	31.7.19	31.7.18	31.7.19	31.7.18
	£	£	£	£
Loan notes	140,000	70,000	140,000	70,000
Hire purchase contracts	43,188	14,691	-	-
Trade creditors	401,017	805,358	-	-
Amounts owed to group undertakings	-	-	510,548	450,000
Tax	46,598	33,308	-	-
Social security and other taxes	367,042	358,532	-	-
Other creditors	120,038	101,033	-	-
Accruals and deferred income	286,436	262,697	950	-
	<u>1,404,319</u>	<u>1,645,619</u>	<u>651,498</u>	<u>520,000</u>

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

	Group		Company	
	31.7.19	31.7.18	31.7.19	31.7.18
	£	£	£	£
Loan notes - 1-2 years	140,000	140,000	140,000	140,000
Loan notes - 2-5 years	-	140,000	-	140,000
Hire purchase contracts	7,324	-	-	-
	<u>147,324</u>	<u>280,000</u>	<u>140,000</u>	<u>280,000</u>

12. SECURED DEBTS

The loan notes are secured by a debenture over all assets of the company.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling party of the company is considered to be E Stoddart by virtue of his majority shareholding in the company.

**Chartered Accountants' Report to the Members
on the Unaudited Financial Statements of
Stuart Canvas Group Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Stuart Canvas Group Limited for the year ended 31 July 2019 which comprise the Consolidated Income Statement, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and the related notes from the company's and the group's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Stuart Canvas Group Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Stuart Canvas Group Limited and state those matters that we have agreed to state to the Board of Directors of Stuart Canvas Group Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Stuart Canvas Group Limited the company and the group and the company's Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Stuart Canvas Group Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Stuart Canvas Group Limited. You consider that Stuart Canvas Group Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Stuart Canvas Group Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



Voisey & Co
Chartered Accountants
8 Winmarleigh Street
Warrington
Cheshire
WA1 1JW

Date: 19th July 2019